



Sen. James F. Clayborne, Jr.

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1 AMENDMENT TO HOUSE BILL 2376

2 AMENDMENT NO. _____. Amend House Bill 2376 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the STAR
5 Bonds Financing Act.

6 Section 5. Purpose. It is hereby found and declared that
7 the purpose of this Act is to promote, stimulate, and develop
8 the general and economic welfare of the State of Illinois and
9 its communities and to assist in the development and
10 redevelopment of major tourism, entertainment, retail, and
11 related destination projects within eligible areas of the
12 State, thereby creating new jobs, stimulating significant
13 capital investment, and promoting the general welfare of the
14 citizens of this State, by authorizing municipalities and
15 counties to issue sales tax and revenue (STAR) bonds for the
16 financing of STAR bond projects as defined in Section 10, and

1 to otherwise exercise the powers and authorities granted to
2 municipalities. It is further found and declared to be the
3 policy of the State, in the interest of promoting the health,
4 safety, morals, and general welfare of all the people of the
5 State, to provide incentives to create new job opportunities
6 and to promote major tourism, entertainment, retail, and
7 related destination projects within the State. It is further
8 found and declared:

9 (a) that as a result of the costs of land assemblage,
10 financing, infrastructure, and other project costs, the
11 private sector, without the assistance contemplated in
12 this Act, is unable to develop major tourism,
13 entertainment, retail, and related destination projects in
14 the State;

15 (b) that the type of projects for which this Act is
16 intended must be of a certain size, scope, and acreage and
17 have direct access to major highways, and must be developed
18 in a cohesive and comprehensive manner;

19 (c) that the eligible tracts of land, significant
20 portions of which are vacant and located in the 100-year
21 flood plain, present unique development obstacles and are
22 more likely to remain underutilized and undeveloped, or
23 developed in a piecemeal manner resulting in inefficient
24 and poorly planned developments that do not maximize job
25 creation, job retention, tourism, and tax revenue
26 generation within the State;

1 (d) that there are multiple eligible areas in the State
2 that could benefit from this Act;

3 (e) that municipalities of the State that already have
4 an enterprise zone in place have a sufficient tool to
5 encourage development and to preserve and enhance their
6 local tax bases and job opportunities and otherwise achieve
7 the purposes set forth in this Act;

8 (f) that investment in major tourism, entertainment,
9 retail, and related destination projects within the State
10 would stimulate economic activity in the State, including
11 the creation and maintenance of jobs, the creation of new
12 and lasting infrastructure and other improvements, and the
13 attraction and retention of interstate tourists and
14 entertainment events that generate significant economic
15 activity;

16 (g) that the continual encouragement, development,
17 growth, and expansion of major tourism, entertainment,
18 retail, and related destination projects within the State
19 requires a cooperative and continuous partnership between
20 government and the public sector;

21 (h) that the State has a responsibility to help create
22 a favorable climate for new and improved job opportunities
23 for its citizens and to increase the tax base of the State
24 and its political subdivisions by encouraging development
25 by the private sector of major tourism, entertainment,
26 retail, and related destination projects within the State;

1 (i) that the stagnation of local tax bases and the loss
2 of job opportunities within the State has persisted despite
3 efforts of State and local authorities and private
4 organizations to create major tourism, entertainment,
5 retail, and related destination projects within the State;

6 (j) that the stagnation of local tax bases and the
7 persistent loss of job opportunities in the State may
8 continue and worsen if the State and its political
9 subdivisions are not able to provide additional incentives
10 to developers of major tourism, entertainment, retail, and
11 related destination projects;

12 (k) that the provision of additional incentives by the
13 State and its political subdivisions will relieve
14 conditions of unemployment, maintain existing levels of
15 employment, create new job opportunities, retain jobs
16 within the State, increase tourism and commerce within the
17 State, and increase the tax base of the State and its
18 political subdivisions;

19 (l) that the powers conferred by this Act promote and
20 protect the health, safety, morals, and welfare of the
21 State, and are for a public purpose and public use for
22 which public money and resources may be expended; and

23 (m) that the necessity in the public interest for the
24 provisions of this Act is hereby declared as a matter of
25 legislative determination.

1 Section 10. Definitions. As used in this Act, the following
2 words and phrases shall have the following meanings unless a
3 different meaning clearly appears from the context:

4 "Base year" means the calendar year immediately prior to
5 the calendar year in which the STAR bond district is
6 established.

7 "Commence work" means the manifest commencement of actual
8 operations on the development site, such as, erecting a
9 building, general on-site and off-site grading and utility
10 installations, commencing design and construction
11 documentation, ordering lead-time materials, excavating the
12 ground to lay a foundation or a basement, or work of like
13 description which a reasonable person would recognize as being
14 done with the intention and purpose to continue work until the
15 project is completed.

16 "County" means the county in which a proposed STAR bond
17 district is located.

18 "De minimus" means an amount less than 15% of the land area
19 within a STAR bond district.

20 "Department of Revenue" means the Department of Revenue of
21 the State of Illinois.

22 "Destination user" means an owner, operator, licensee,
23 co-developer, subdeveloper, or tenant (i) that operates a
24 business within a STAR bond district that is a retail store
25 having at least 150,000 square feet of sales floor area; (ii)
26 that at the time of opening does not have another Illinois

1 location within a 70 mile radius; (iii) that has an annual
2 average of not less than 30% of customers who travel from at
3 least 75 miles away or from out-of-state, as demonstrated by
4 data from a comparable existing store or stores, or, if there
5 is no comparable existing store, as demonstrated by an economic
6 analysis that shows that the proposed retailer will have an
7 annual average of not less than 30% of customers who travel
8 from at least 75 miles away or from out-of-state; and (iv) that
9 makes an initial capital investment, including project costs
10 and other direct costs, of not less than \$30,000,000 for such
11 retail store.

12 "Developer" means any individual, corporation, trust,
13 estate, partnership, limited liability partnership, limited
14 liability company, or other entity. The term does not include a
15 not-for-profit entity, political subdivision, or other agency
16 or instrumentality of the State.

17 "Director" means the Director of Revenue, who shall consult
18 with the Director of Commerce and Economic Opportunity in any
19 approvals or decisions required by the Director under this Act.

20 "Economic impact study" means a study conducted by an
21 independent economist to project the financial benefit of the
22 proposed STAR bond project to the local, regional, and State
23 economies, consider the proposed adverse impacts on similar
24 projects and businesses, as well as municipalities within the
25 projected market area, and draw conclusions about the net
26 effect of the proposed STAR bond project on the local,

1 regional, and State economies. A copy of the economic impact
2 study shall be provided to the Director for review.

3 "Eligible area" means any improved or vacant area that is
4 contiguous and is not, in the aggregate, less than 600 acres
5 which must include only parcels of real property directly and
6 substantially benefited by the proposed STAR bond district
7 plan, which is located adjacent to the intersection of at least
8 2 highways, one of which is an interstate highway, which area
9 must be comprised of land which is at least 90% vacant, and at
10 least 30% of which is located in the 100-year flood plain. The
11 area may be bisected by streets, highways, roads, alleys,
12 railways, bike paths, streams, rivers, and other waterways and
13 still be deemed contiguous. In addition, in order to constitute
14 an eligible area one of the following requirements must be
15 satisfied and all of which are subject to the review and
16 approval of the Director as provided in subsection (d) of
17 Section 15:

18 (a) the governing body of the political subdivision
19 shall have determined that the area meets the requirements
20 of a "blighted area" as defined under the Tax Increment
21 Allocation Redevelopment Act; or

22 (b) the governing body of the political subdivision
23 shall have determined that the area is a blighted area as
24 determined under the provisions of Section 11-74.3-5 of the
25 Illinois Municipal Code; or

26 (c) the governing body of the political subdivision

1 shall make the following findings:

2 (i) that the vacant portions of the area have
3 remained vacant for at least one year, or that any
4 building located on a vacant portion of the property
5 was demolished within the last year and that the
6 building would have qualified under item (ii) of this
7 subsection;

8 (ii) if portions of the area are currently
9 developed, that the use, condition, and character of
10 the buildings on the property are not consistent with
11 the purposes set forth in Section 5;

12 (iii) that the STAR bond district is expected to
13 create or retain job opportunities within the
14 political subdivision;

15 (iv) that the STAR bond district will serve to
16 further the development of adjacent areas;

17 (v) that without the availability of STAR bonds,
18 the projects described in the STAR bond district plan
19 would not be possible;

20 (vi) that the master developer meets high
21 standards of creditworthiness and financial strength
22 as demonstrated by one or more of the following: (i)
23 corporate debenture ratings of BBB or higher by
24 Standard & Poor's Corporation or Baa or higher by
25 Moody's Investors Service, Inc.; (ii) a letter from a
26 financial institution with assets of \$10,000,000 or

1 more attesting to the financial strength of the master
2 developer; or (iii) specific evidence of equity
3 financing for not less than 10% of the estimated total
4 STAR bond project costs;

5 (vii) that the STAR bond district will strengthen
6 the commercial sector of the political subdivision;

7 (viii) that the STAR bond district will enhance the
8 tax base of the political subdivision; and

9 (ix) that the formation of a STAR bond district is
10 in the best interest of the political subdivision.

11 "Entertainment user" means an owner, operator, licensee,
12 co-developer, subdeveloper, or tenant that operates a business
13 within a STAR bond district that has a primary use of providing
14 a venue for entertainment attractions, rides, or other
15 activities oriented toward the entertainment and amusement of
16 its patrons, occupies at least 50 acres of land in the STAR
17 bond district, and makes an initial capital investment,
18 including project costs and other direct and indirect costs, of
19 not less than \$100,000,000 for that venue.

20 "Feasibility study" means a feasibility study as defined in
21 subsection (b) of Section 20.

22 "Infrastructure" means the public improvements and private
23 improvements that serve the public purposes set forth in
24 Section 5 of this Act and that benefit the STAR bond district
25 or any STAR bond projects, including, but not limited to,
26 streets, drives and driveways, traffic and directional signs

1 and signals, parking lots and parking facilities,
2 interchanges, highways, sidewalks, bridges, underpasses and
3 overpasses, bike and walking trails, sanitary storm sewers and
4 lift stations, drainage conduits, channels, levees, canals,
5 storm water detention and retention facilities, utilities and
6 utility connections, water mains and extensions, and street and
7 parking lot lighting and connections.

8 "Local sales taxes" means any locally-imposed taxes
9 received by a municipality, county, or other local governmental
10 entity arising from sales by retailers and servicemen within a
11 STAR bond district, including business district sales taxes and
12 STAR bond occupation taxes, and that portion of the net revenue
13 realized under the Retailers' Occupation Tax Act, the Use Tax
14 Act, the Service Use Tax Act, and the Service Occupation Tax
15 Act from transactions at places of business located within a
16 STAR bond district that is deposited into the Local Government
17 Tax Fund and the County and Mass Transit District Fund. For the
18 purpose of this Act, "local sales taxes" does not include (i)
19 any taxes authorized pursuant to the Local Mass Transit
20 District Act, the Metro-East Park and Recreation District Act,
21 or the Flood Prevention District Act for so long as the
22 applicable taxing district does not impose a tax on real
23 property or (ii) any local sales taxes that are, at the time of
24 formation of a STAR bond district, already subject to tax
25 increment financing under the Tax Increment Allocation
26 Redevelopment Act.

1 "Local sales tax increment" means, with respect to local
2 sales taxes administered by the Illinois Department of Revenue,
3 (i) that portion of the local sales tax paid by destination
4 users and entertainment users that is in excess of the local
5 sales tax paid by destination users and entertainment users for
6 the same month in the base year, as determined by the Illinois
7 Department of Revenue and (ii) that portion of the local sales
8 tax paid by taxpayers that are not destination users or
9 entertainment users that is in excess of the local sales tax
10 paid by taxpayers that are not destination users or
11 entertainment users for the same month in the base year, as
12 determined by the Illinois Department of Revenue. "Local sales
13 tax increment" means, with respect to local sales taxes
14 administered by a municipality, county, or other unit of local
15 government, that portion of the local sales tax that is in
16 excess of the local sales tax for the same month in the base
17 year, as determined by the respective municipality, county, or
18 other unit of local government. The Illinois Department of
19 Revenue shall allocate the local sales tax increment only if
20 the local sales tax is administered by the Department.

21 "Market study" means a study to determine the ability of
22 the proposed STAR bond project to gain market share locally and
23 regionally and to remain profitable past the term of repayment
24 of STAR bonds.

25 "Master developer" means a developer cooperating with a
26 political subdivision to plan, develop, and implement a STAR

1 bond project plan for a STAR bond district. Subject to the
2 limitations of Section 25, the master developer may work with
3 and transfer certain development rights to other developers for
4 the purpose of implementing STAR bond project plans and
5 achieving the purposes of this Act. A master developer for a
6 STAR bond district shall be appointed by a political
7 subdivision in the resolution establishing the STAR bond
8 district, and the master developer must, at the time of
9 appointment, own or have control of, through purchase
10 agreements, option contracts, or other means, not less than 50%
11 of the acreage within the STAR bond district and the master
12 developer or its affiliate must have ownership or control on
13 May 26, 2009.

14 "Master development agreement" means an agreement between
15 the master developer and the political subdivision to govern a
16 STAR bond district and any STAR bond projects.

17 "Municipality" means the city, village, or incorporated
18 town in which a proposed STAR bond district is located.

19 "Pledged STAR revenues" means those sales tax and revenues
20 and other sources of funds pledged to pay debt service on STAR
21 bonds or to pay project costs pursuant to Section 30.
22 Notwithstanding any provision to the contrary, the following
23 revenues shall not constitute pledged STAR revenues or be
24 available to pay principal and interest on STAR bonds: any
25 State sales tax increment or local sales tax increment from a
26 retail entity initiating operations in a STAR bond district

1 while terminating operations at another Illinois location
2 within 25 miles of the STAR bond district. For purposes of this
3 paragraph, "terminating operations" means a closing of a retail
4 operation that is directly related to the opening of the same
5 operation or like retail entity owned or operated by more than
6 50% of the original ownership in a STAR bond district within
7 one year before or after initiating operations in the STAR bond
8 district, but it does not mean closing an operation for reasons
9 beyond the control of the retail entity, as documented by the
10 retail entity, subject to a reasonable finding by the
11 municipality that the current location contained inadequate
12 space, had become economically obsolete, or was no longer a
13 viable location for the retailer or serviceman.

14 "Political subdivision" means a municipality or county
15 which undertakes to establish a STAR bond district pursuant to
16 the provisions of this Act.

17 "Project costs" means and includes the sum total of all
18 costs incurred or estimated to be incurred on or following the
19 date of establishment of a STAR bond district that are
20 reasonable or necessary to implement a STAR bond district plan
21 or any STAR bond project plans, or both, including costs
22 incurred for public improvements and private improvements that
23 serve the public purposes set forth in Section 5 of this Act.
24 Such costs include without limitation the following:

25 (a) costs of studies, surveys, development of plans and
26 specifications, formation, implementation, and

1 administration of a STAR bond district, STAR bond district
2 plan, any STAR bond projects, or any STAR bond project
3 plans, including, but not limited to, staff and
4 professional service costs for architectural, engineering,
5 legal, financial, planning, or other services, provided
6 however that no charges for professional services may be
7 based on a percentage of the tax increment collected and no
8 contracts for professional services, excluding
9 architectural and engineering services, may be entered
10 into if the terms of the contract extend beyond a period of
11 3 years;

12 (b) property assembly costs, including, but not
13 limited to, acquisition of land and other real property or
14 rights or interests therein, located within the boundaries
15 of a STAR bond district, demolition of buildings, site
16 preparation, site improvements that serve as an engineered
17 barrier addressing ground level or below ground
18 environmental contamination, including, but not limited
19 to, parking lots and other concrete or asphalt barriers,
20 the clearing and grading of land, and importing additional
21 soil and fill materials, or removal of soil and fill
22 materials from the site;

23 (c) subject to paragraph (d), costs of buildings and
24 other vertical improvements that are located within the
25 boundaries of a STAR bond district and owned by a political
26 subdivision or other public entity, including without

1 limitation police and fire stations, educational
2 facilities, and public restrooms and rest areas;

3 (c-5) costs of buildings; rides and attractions, which
4 include carousels, slides, roller coasters, displays,
5 models, towers, works of art, and similar theme and
6 amusement park improvements; and other vertical
7 improvements that are located within the boundaries of a
8 STAR bond district and owned by an entertainment user;
9 except that only one entertainment user in a STAR bond
10 district is eligible to include the cost of those vertical
11 improvements as project costs;

12 (d) costs of the design and construction of
13 infrastructure and public works located within the
14 boundaries of a STAR bond district that are reasonable or
15 necessary to implement a STAR bond district plan or any
16 STAR bond project plans, or both, except that project costs
17 shall not include the cost of constructing a new municipal
18 public building principally used to provide offices,
19 storage space, or conference facilities or vehicle
20 storage, maintenance, or repair for administrative, public
21 safety, or public works personnel and that is not intended
22 to replace an existing public building unless the political
23 subdivision makes a reasonable determination in a STAR bond
24 district plan or any STAR bond project plans, supported by
25 information that provides the basis for that
26 determination, that the new municipal building is required

1 to meet an increase in the need for public safety purposes
2 anticipated to result from the implementation of the STAR
3 bond district plan or any STAR bond project plans;

4 (e) costs of the design and construction of the
5 following improvements located outside the boundaries of a
6 STAR bond district, provided that the costs are essential
7 to further the purpose and development of a STAR bond
8 district plan and either (i) part of and connected to
9 sewer, water, or utility service lines that physically
10 connect to the STAR bond district or (ii) significant
11 improvements for adjacent offsite highways, streets,
12 roadways, and interchanges that are approved by the
13 Illinois Department of Transportation. No other cost of
14 infrastructure and public works improvements located
15 outside the boundaries of a STAR bond district may be
16 deemed project costs;

17 (f) costs of job training and retraining projects,
18 including the cost of "welfare to work" programs
19 implemented by businesses located within a STAR bond
20 district;

21 (g) financing costs, including, but not limited to, all
22 necessary and incidental expenses related to the issuance
23 of obligations and which may include payment of interest on
24 any obligations issued hereunder including interest
25 accruing during the estimated period of construction of any
26 improvements in a STAR bond district or any STAR bond

1 projects for which such obligations are issued and for not
2 exceeding 36 months thereafter and including reasonable
3 reserves related thereto;

4 (h) to the extent the political subdivision by written
5 agreement accepts and approves the same, all or a portion
6 of a taxing district's capital costs resulting from a STAR
7 bond district or STAR bond projects necessarily incurred or
8 to be incurred within a taxing district in furtherance of
9 the objectives of a STAR bond district plan or STAR bond
10 project plans;

11 (i) interest cost incurred by a developer for project
12 costs related to the acquisition, formation,
13 implementation, development, construction, and
14 administration of a STAR bond district, STAR bond district
15 plan, STAR bond projects, or any STAR bond project plans
16 provided that:

17 (i) payment of such costs in any one year may not
18 exceed 30% of the annual interest costs incurred by the
19 developer with regard to the STAR bond district or any
20 STAR bond projects during that year; and

21 (ii) the total of such interest payments paid
22 pursuant to this Act may not exceed 30% of the total
23 cost paid or incurred by the developer for a STAR bond
24 district or STAR bond projects, plus project costs,
25 excluding any property assembly costs incurred by a
26 political subdivision pursuant to this Act;

1 (j) costs of common areas located within the boundaries
2 of a STAR bond district;

3 (k) costs of landscaping and plantings, retaining
4 walls and fences, man-made lakes and ponds, shelters,
5 benches, lighting, and similar amenities located within
6 the boundaries of a STAR bond district;

7 (l) costs of mounted building signs, site monument, and
8 pylon signs located within the boundaries of a STAR bond
9 district; or

10 (m) if included in the STAR bond district plan and
11 approved in writing by the Director, salaries or a portion
12 of salaries for local government employees to the extent
13 the same are directly attributable to the work of such
14 employees on the establishment and management of a STAR
15 bond district or any STAR bond projects.

16 Except as specified in items (a) through (m), "project
17 costs" shall not include:

18 (i) the cost of construction of buildings that are
19 privately owned or owned by a municipality and leased to a
20 developer or retail user for non-entertainment retail
21 uses;

22 (ii) moving expenses for employees of the businesses
23 locating within the STAR bond district;

24 (iii) property taxes for property located in the STAR
25 bond district;

26 (iv) lobbying costs; and

1 (v) general overhead or administrative costs of the
2 political subdivision that would still have been incurred
3 by the political subdivision if the political subdivision
4 had not established a STAR bond district.

5 "Project development agreement" means any one or more
6 agreements, including any amendments thereto, between a master
7 developer and any co-developer or subdeveloper in connection
8 with a STAR bond project, which project development agreement
9 may include the political subdivision as a party.

10 "Projected market area" means any area within the State in
11 which a STAR bond district or STAR bond project is projected to
12 have a significant fiscal or market impact as determined by the
13 Director.

14 "Resolution" means a resolution, order, ordinance, or
15 other appropriate form of legislative action of a political
16 subdivision or other applicable public entity approved by a
17 vote of a majority of a quorum at a meeting of the governing
18 body of the political subdivision or applicable public entity.

19 "STAR bond" means a sales tax and revenue bond, note, or
20 other obligation payable from pledged STAR revenues and issued
21 by a political subdivision, the proceeds of which shall be used
22 only to pay project costs as defined in this Act.

23 "STAR bond district" means the specific area declared to be
24 an eligible area as determined by the political subdivision,
25 and approved by the Director, in which the political
26 subdivision may develop one or more STAR bond projects.

1 "STAR bond district plan" means the preliminary or
2 conceptual plan that generally identifies the proposed STAR
3 bond project areas and identifies in a general manner the
4 buildings, facilities, and improvements to be constructed or
5 improved in each STAR bond project area.

6 "STAR bond project" means a project within a STAR bond
7 district which is approved pursuant to Section 20.

8 "STAR bond project area" means the geographic area within a
9 STAR bond district in which there may be one or more STAR bond
10 projects.

11 "STAR bond project plan" means the written plan adopted by
12 a political subdivision for the development of a STAR bond
13 project in a STAR bond district; the plan may include, but is
14 not limited to, (i) project costs incurred prior to the date of
15 the STAR bond project plan and estimated future STAR bond
16 project costs, (ii) proposed sources of funds to pay those
17 costs, (iii) the nature and estimated term of any obligations
18 to be issued by the political subdivision to pay those costs,
19 (iv) the most recent equalized assessed valuation of the STAR
20 bond project area, (v) an estimate of the equalized assessed
21 valuation of the STAR bond district or applicable project area
22 after completion of a STAR bond project, (vi) a general
23 description of the types of any known or proposed developers,
24 users, or tenants of the STAR bond project or projects included
25 in the plan, (vii) a general description of the type,
26 structure, and character of the property or facilities to be

1 developed or improved, (viii) a description of the general land
2 uses to apply to the STAR bond project, and (ix) a general
3 description or an estimate of the type, class, and number of
4 employees to be employed in the operation of the STAR bond
5 project.

6 "State sales tax" means all of the net revenue realized
7 under the Retailers' Occupation Tax Act, the Use Tax Act, the
8 Service Use Tax Act, and the Service Occupation Tax Act from
9 transactions at places of business located within a STAR bond
10 district, excluding that portion of the net revenue realized
11 under the Retailers' Occupation Tax Act, the Use Tax Act, the
12 Service Use Tax Act, and the Service Occupation Tax Act from
13 transactions at places of business located within a STAR bond
14 district that is deposited into the Local Government Tax Fund
15 and the County and Mass Transit District Fund. For the purposes
16 of this Act, "State sales tax" does not include any State sales
17 taxes that are, at the time of formation of a STAR bond
18 district, already subject to tax increment financing under the
19 Tax Increment Allocation Redevelopment Act.

20 "State sales tax increment" means that portion of the State
21 sales tax that is in excess of the State sales tax for the same
22 month in the base year, as determined by the Department of
23 Revenue, from transactions at destination users and
24 entertainment users located within a STAR bond district, which
25 destination users and entertainment users shall be designated
26 by the master developer and approved by the political

1 subdivision and the Director in conjunction with the applicable
2 STAR bond project approval.

3 "Substantial change" means a change wherein the proposed
4 STAR bond project plan differs substantially in size, scope, or
5 use from the approved STAR bond district plan or STAR bond
6 project plan.

7 "Taxpayer" means an individual, partnership, corporation,
8 limited liability company, trust, estate, or other entity that
9 is subject to the Illinois Income Tax Act.

10 "Total development costs" means the aggregate public and
11 private investment in a STAR bond district, including project
12 costs and other direct and indirect costs related to the
13 development of the STAR bond district.

14 "Vacant" means that portion of the land in a proposed STAR
15 bond district that is not occupied by a building, facility, or
16 other vertical improvement.

17 Section 15. Establishment of STAR bond district. The
18 governing body of a municipality may establish a STAR bond
19 district within an eligible area within the municipality or
20 partially outside the boundaries of the municipality in an
21 unincorporated area of the county. A STAR bond district which
22 is partially outside the boundaries of the municipality must
23 also be approved by the governing body of the county by the
24 passage of a resolution. The governing body of a county may
25 establish a STAR bond district in an eligible area in any

1 unincorporated area of the county.

2 (a) When a political subdivision proposes to establish a
3 STAR bond district, the political subdivision shall adopt a
4 resolution stating that the political subdivision is
5 considering the establishment of a STAR bond district. The
6 resolution shall:

7 (1) give notice, in the same manner as set forth in
8 item (2) of subsection (g) of Section 20, that a public
9 hearing will be held to consider the establishment of a
10 STAR bond district and fix the date, hour, and place of the
11 public hearing, which shall be at a location that is within
12 20 miles of the STAR bond district, in a facility that can
13 accommodate a large crowd, and in a facility that is
14 accessible to persons with disabilities;

15 (2) describe the proposed general boundaries of the
16 STAR bond district;

17 (3) describe the STAR bond district plan;

18 (4) require that a description and map of the proposed
19 STAR bond district are available for inspection at a time
20 and place designated;

21 (5) identify the master developer for the STAR bond
22 district; and

23 (6) require that the governing body consider findings
24 necessary for the establishment of a STAR bond district.

25 (b) Upon the conclusion of the public hearing the governing
26 body of the political subdivision may consider a resolution to

1 establish the STAR bond district.

2 (1) A resolution to establish a STAR bond district
3 shall:

4 (A) make findings that the proposed STAR bond
5 district is to be developed with one or more STAR bond
6 projects;

7 (B) make findings that the STAR bond district is an
8 eligible area;

9 (C) contain a STAR bond district plan that
10 identifies in a general manner the buildings and
11 facilities that are proposed to be constructed or
12 improved in subsequent STAR bond projects and that
13 includes plans for destination users and an
14 entertainment user;

15 (D) contain the legal description of the STAR bond
16 district;

17 (E) appoint the master developer for the STAR bond
18 district; and

19 (F) establish the STAR bond district, contingent
20 upon approval of the Director as set forth in
21 subsection (d).

22 (2) If the resolution is not adopted by the political
23 subdivision within 60 days from the conclusion of the
24 public hearing, then the STAR bond district shall not be
25 established.

26 (3) Upon adoption of a resolution establishing a STAR

1 bond district, the political subdivision shall send a
2 certified copy of such resolution to the Department of
3 Revenue.

4 (c) Upon the establishment of a STAR bond district, the
5 STAR bond district and any STAR bond projects shall be governed
6 by a master development agreement between the political
7 subdivision and the master developer. A STAR bond district that
8 is partially outside the boundaries of a municipality shall
9 only require one master development agreement; the agreement
10 shall be between the municipality and the master developer. In
11 no event shall there be more than one master development
12 agreement governing the terms and conditions of a STAR bond
13 district. The master development agreement shall require the
14 master developer to ensure compliance with the following
15 requirements to reduce the ecological impact of the STAR bond
16 district development: (i) inclusion of pollution prevention,
17 erosion, and sedimentation control plans during construction;
18 (ii) protection of endangered species' habitat and wetlands
19 mitigation; (iii) preservation of at least 20% of the STAR bond
20 district as green space, including lawns, parks, landscaped
21 areas, paths, lakes, ponds, and other water features; (iv)
22 promotion of the use of renewable energy to the extent
23 commercially feasible; (v) promotion of access to mass transit
24 and bicycle transportation; (vi) implementation of recycling
25 programs during construction and at completed STAR bond
26 projects; (vii) preservation of water quality and promotion of

1 water conservation through the use of techniques such as
2 reusing storm water and landscaping with native and
3 low-maintenance vegetation to reduce the need for irrigation
4 and fertilization; (viii) inclusion of comprehensive lighting
5 programs that reduce light pollution within the STAR bond
6 district; and (ix) promotion of shared parking between
7 different users to reduce the impact on project sites.

8 (d) Upon adoption of the resolution to establish a STAR
9 bond district, the political subdivision shall submit the
10 proposed STAR bond district to the Director for consideration.
11 The Director may only approve a STAR bond district if the
12 Director finds that: (i) the proposed STAR bond district is an
13 eligible area, (ii) no portion of the proposed STAR bond
14 district is located within a municipality that has an
15 enterprise zone pursuant to the Illinois Enterprise Zone Act
16 within its municipal boundaries, (iii) the STAR bond district
17 plan includes a projected capital investment of at least
18 \$300,000,000, (iv) the STAR bond district plan is reasonably
19 projected to produce at least \$300,000,000 of annual gross
20 sales revenues and 1,000 new jobs, (v) the STAR bond district
21 plan includes potential destination users and a potential
22 entertainment user, (vi) the creation of the STAR bond district
23 and STAR bond district plan are in accordance with the purpose
24 of this Act and the public interest, and (vii) the STAR bond
25 district and STAR bond district plan meet any other requirement
26 that the Director deems appropriate. If a proposed STAR bond

1 district meets all of the foregoing criteria, the Director
2 shall not unreasonably withhold its approval of the proposed
3 STAR bond district. The Director may only approve one STAR bond
4 district within any projected market area. However, the
5 Director may approve additional STAR bond districts in a single
6 projected market area provided that the Director finds that the
7 additional STAR bond district will not thwart the purposes of
8 this Act. The Director shall promptly send a copy of its
9 written findings and approval or denial of a STAR bond district
10 to the requesting political subdivision.

11 (e) Starting on the fifth anniversary of the first date of
12 distribution of State sales tax revenues from the first STAR
13 bond project in the STAR bond district and continuing each
14 anniversary thereafter, the Director shall, in consultation
15 with the political subdivision and the master developer,
16 determine the total number of new jobs created within the STAR
17 bond district, the total development cost to date, and the
18 master developer's compliance with its obligations under any
19 written agreements with the State. If, on the fifth anniversary
20 of the first date of distribution of State sales tax revenues
21 from the first STAR bond project in the STAR bond district, the
22 Director determines that the total development cost to date is
23 not equal to or greater than \$300,000,000, or that the master
24 developer is in breach of any written agreement with the State,
25 then no new STAR bonds may be issued in the STAR bond district
26 until the total development cost exceeds \$300,000,000 or the

1 breach of agreement is cured, or both. If, on the fifth
2 anniversary of the first date of distribution of State sales
3 tax revenues from the first STAR bond project in the STAR bond
4 district, there are not at least 1,000 jobs existing in the
5 STAR bond district, the State may require the master developer
6 to pay the State a penalty of \$1,500 per job under 1,000 each
7 year until the earlier of (i) the twenty-third anniversary of
8 the first date of distribution of State sales tax revenues from
9 the first STAR bond project in the STAR bond district, (ii) the
10 date that all STAR bonds issued in the STAR bond district have
11 been paid off, or (iii) the date that at least 1,000 jobs have
12 been created in the STAR bond district. Upon creation of 1,000
13 jobs in the STAR bond district, there shall not be an ongoing
14 obligation to maintain those jobs after the fifth anniversary
15 of the first date of distribution of State sales tax revenues
16 from the first STAR bond project in the STAR bond district, and
17 the master developer shall be relieved of any liability with
18 respect to job creation under this subsection. Notwithstanding
19 anything to the contrary in this subsection, the master
20 developer shall not be liable for the penalties set forth under
21 this subsection if the breach of agreement, failure to reach at
22 least \$300,000,000 in total development costs, or failure to
23 create 1,000 jobs is due to delays caused by force majeure, as
24 that term shall be defined in the master development agreement.

25 Section 20. Approval of STAR bond projects. The governing

1 body of a political subdivision may establish one or more STAR
2 bond projects in any STAR bond district. A STAR bond project
3 which is partially outside the boundaries of a municipality
4 must also be approved by the governing body of the county by
5 resolution.

6 (a) After the establishment of a STAR bond district, the
7 master developer may propose one or more STAR bond projects to
8 a political subdivision and the master developer shall, in
9 cooperation with the political subdivision, prepare a STAR bond
10 project plan in consultation with the planning commission of
11 the political subdivision, if any. The STAR bond project plan
12 may be implemented in separate development stages.

13 (b) Any political subdivision considering a STAR bond
14 project within a STAR bond district shall notify the
15 Department, which shall cause to be prepared an independent
16 feasibility study by a feasibility consultant with certified
17 copies provided to the political subdivision, the Director, and
18 the Department of Commerce and Economic Opportunity. The
19 feasibility study shall include the following:

20 (1) the estimated amount of pledged STAR revenues
21 expected to be collected in each year through the maturity
22 date of the proposed STAR bonds;

23 (2) a statement of how the jobs and taxes obtained from
24 the STAR bond project will contribute significantly to the
25 economic development of the State and region;

26 (3) visitation expectations;

- 1 (4) the unique quality of the project;
- 2 (5) an economic impact study;
- 3 (6) a market study;
- 4 (7) integration and collaboration with other resources
- 5 or businesses;
- 6 (8) the quality of service and experience provided, as
- 7 measured against national consumer standards for the
- 8 specific target market;
- 9 (9) project accountability, measured according to best
- 10 industry practices;
- 11 (10) the expected return on State and local investment
- 12 that the STAR bond project is anticipated to produce; and
- 13 (11) an anticipated principal and interest payment
- 14 schedule on the STAR bonds.

15 The feasibility consultant, along with the independent
16 economist and any other consultants commissioned to perform the
17 studies and other analysis required by the feasibility study,
18 shall be selected by the Director with the approval of the
19 political subdivision. The consultants shall be retained by the
20 Director and the Department shall be reimbursed by the master
21 developer for the costs to retain the consultants.

22 The failure to include all information enumerated in this
23 subsection in the feasibility study for a STAR bond project
24 shall not affect the validity of STAR bonds issued pursuant to
25 this Act.

26 (c) If the political subdivision determines the STAR bond

1 project is feasible, the STAR bond project plan shall include:

2 (1) a summary of the feasibility study;

3 (2) a reference to the STAR bond district plan that
4 identifies the STAR bond project area that is set forth in
5 the STAR bond project plan that is being considered;

6 (3) a legal description and map of the STAR bond
7 project area to be developed or redeveloped;

8 (4) a description of the buildings and facilities
9 proposed to be constructed or improved in such STAR bond
10 project area, including destination users and an
11 entertainment user, as applicable;

12 (5) a copy of letters of intent to locate within the
13 STAR bond district signed by both the master developer and
14 the appropriate corporate officer of a destination user and
15 an entertainment user for the first STAR bond project
16 proposed within the district; and

17 (6) any other information the governing body of the
18 political subdivision deems reasonable and necessary to
19 advise the public of the intent of the STAR bond project
20 plan.

21 (d) Before a political subdivision may hold a public
22 hearing to consider a STAR bond project plan, the Department of
23 Commerce and Economic Opportunity shall hold a regional public
24 meeting to discuss, evaluate, and review the merits of the STAR
25 bond project plan. The public meeting shall be held at a
26 location that is within 20 miles of the STAR bond district, in

1 a facility that can accommodate a large crowd, and in a
2 facility that is accessible to persons with disabilities. The
3 public meeting shall be held within 20 days after the receipt
4 of the feasibility study by the Director. Notice of the public
5 meeting shall be delivered to the Director and the political
6 subdivision and shall be published once in a newspaper of
7 general circulation in the political subdivision not less than
8 one week and not more than 3 weeks preceding the date of the
9 public meeting. At the public meeting, all interested persons
10 shall be given an opportunity to be heard. At the conclusion of
11 the public meeting, the Department of Commerce and Economic
12 Opportunity shall provide a report to the Director concerning
13 the testimony of the public meeting.

14 (e) Before a political subdivision may hold a public
15 hearing to consider a STAR bond project plan, the political
16 subdivision must apply to the Department for approval of the
17 STAR bond project plan. An application for approval of a STAR
18 bond project plan must not be approved unless all of the
19 components of the feasibility study set forth in items (1)
20 through (11) of subsection (b) have been completed and
21 submitted to the Department for review. In addition to
22 reviewing all of the other elements of the STAR bond project
23 plan required under subsection (c), which must be included in
24 the application (which plan must include a letter or letters of
25 intent as required under subdivision (c) (5) in order to receive
26 Director approval), the Director must review the feasibility

1 study and consider all of the components of the feasibility
2 study set forth in items (1) through (11) of subsection (b) of
3 Section 20, including without limitation the economic impact
4 study and the financial benefit of the proposed STAR bond
5 project to the local, regional, and State economies, the
6 proposed adverse impacts on similar businesses and projects as
7 well as municipalities within the market area, and the net
8 effect of the proposed STAR bond project on the local,
9 regional, and State economies. In addition to the economic
10 impact study, the political subdivision must also submit to the
11 Department, as part of its application, the financial and other
12 information that substantiates the basis for the conclusion of
13 the economic impact study, in the form and manner as required
14 by the Department, so that the Department can verify the
15 results of the study. In addition to any other criteria in this
16 subsection, to approve the STAR bond project plan, the Director
17 must be satisfied that the proposed destination user is in fact
18 a true destination user and also find that the STAR bond
19 project plan is in accordance with the purpose of this Act and
20 the public interest. The Director shall either approve or deny
21 the STAR bond project plan based on the criteria in this
22 subsection.

23 (f) Upon a finding by the planning and zoning commission of
24 the political subdivision that the STAR bond project plan is
25 consistent with the intent of the comprehensive plan for the
26 development of the political subdivision and upon issuance of

1 the written approval of the STAR bond project plan from the
2 Director pursuant to subsection (e) of Section 20 the governing
3 body of the political subdivision shall adopt a resolution
4 stating that the political subdivision is considering the
5 adoption of the STAR bond project plan. The resolution shall:

6 (1) give notice that a public hearing will be held to
7 consider the adoption of the STAR bond project plan and fix
8 the date, hour, and place of the public hearing;

9 (2) describe the general boundaries of the STAR bond
10 district within which the STAR bond project will be located
11 and the date of establishment of the STAR bond district;

12 (3) describe the general boundaries of the area
13 proposed to be included within the STAR bond project area;

14 (4) provide that the STAR bond project plan and map of
15 the area to be redeveloped or developed are available for
16 inspection during regular office hours in the offices of
17 the political subdivision; and

18 (5) contain a summary of the terms and conditions of
19 any proposed project development agreement with the
20 political subdivision.

21 (g) A public hearing shall be conducted to consider the
22 adoption of any STAR bond project plan.

23 (1) The date fixed for the public hearing to consider
24 the adoption of the STAR bond project plan shall be not
25 less than 20 nor more than 90 days following the date of
26 the adoption of the resolution fixing the date of the

1 hearing.

2 (2) A copy of the political subdivision's resolution
3 providing for the public hearing shall be sent by certified
4 mail, return receipt requested, to the governing body of
5 the county. A copy of the political subdivision's
6 resolution providing for the public hearing shall be sent
7 by certified mail, return receipt requested, to each person
8 or persons in whose name the general taxes for the last
9 preceding year were paid on each parcel of land lying
10 within the proposed STAR bond project area within 10 days
11 following the date of the adoption of the resolution. The
12 resolution shall be published once in a newspaper of
13 general circulation in the political subdivision not less
14 than one week nor more than 3 weeks preceding the date
15 fixed for the public hearing. A map or aerial photo clearly
16 delineating the area of land proposed to be included within
17 the STAR bond project area shall be published with the
18 resolution.

19 (3) The hearing shall be held at a location that is
20 within 20 miles of the STAR bond district, in a facility
21 that can accommodate a large crowd, and in a facility that
22 is accessible to persons with disabilities.

23 (4) At the public hearing, a representative of the
24 political subdivision or master developer shall present
25 the STAR bond project plan. Following the presentation of
26 the STAR bond project plan, all interested persons shall be

1 given an opportunity to be heard. The governing body may
2 continue the date and time of the public hearing.

3 (h) Upon conclusion of the public hearing, the governing
4 body of the political subdivision may adopt the STAR bond
5 project plan by a resolution approving the STAR bond project
6 plan.

7 (i) After the adoption by the corporate authorities of the
8 political subdivision of a STAR bond project plan, the
9 political subdivision may enter into a project development
10 agreement if the master developer has requested the political
11 subdivision to be a party to the project development agreement
12 pursuant to subsection (b) of Section 25.

13 (j) Within 30 days after the adoption by the political
14 subdivision of a STAR bond project plan, the clerk of the
15 political subdivision shall transmit a copy of the legal
16 description of the land and a list of all new and existing
17 mailing addresses within the STAR bond district, a copy of the
18 resolution adopting the STAR bond project plan, and a map or
19 plat indicating the boundaries of the STAR bond project area to
20 the clerk, treasurer, and governing body of the county and to
21 the Department of Revenue. Within 30 days of creation of any
22 new mailing addresses within a STAR bond district, the clerk of
23 the political subdivision shall provide written notice of such
24 new addresses to the Department of Revenue.

25 If a certified copy of the resolution adopting the STAR
26 bond project plan is filed with the Department on or before the

1 first day of April, the Department, if all other requirements
2 of this subsection are met, shall proceed to collect and
3 allocate any local sales tax increment and any State sales tax
4 increment in accordance with the provisions of this Act as of
5 the first day of July next following the adoption and filing.
6 If a certified copy of the resolution adopting the STAR bond
7 project plan is filed with the Department after April 1 but on
8 or before the first day of October, the Department, if all
9 other requirements of this subsection are met, shall proceed to
10 collect and allocate any local sales tax increment and any
11 State sales tax increment in accordance with the provisions of
12 this Act as of the first day of January next following the
13 adoption and filing.

14 Any substantial changes to a STAR bond project plan as
15 adopted shall be subject to a public hearing following
16 publication of notice thereof in a newspaper of general
17 circulation in the political subdivision and approval by
18 resolution of the governing body of the political subdivision.

19 The Department of Revenue shall not collect or allocate any
20 local sales tax increment or State sales tax increment, until
21 the political subdivision also provides, in the manner
22 prescribed by the Department, the boundaries of the STAR bond
23 project area and each address in the STAR bond project area in
24 such a way that the Department can determine by its address
25 whether a business is located in the STAR bond project area.
26 The political subdivision must provide this boundary and

1 address information to the Department on or before April 1 for
2 administration and enforcement under this Act by the Department
3 beginning on the following July 1 and on or before October 1
4 for administration and enforcement under this Act by the
5 Department beginning on the following January 1. The Department
6 of Revenue shall not administer or enforce any change made to
7 the boundaries of a STAR bond project or any address change,
8 addition, or deletion until the political subdivision reports
9 the boundary change or address change, addition, or deletion to
10 the Department in the manner prescribed by the Department. The
11 political subdivision must provide this boundary change or
12 address change, addition, or deletion information to the
13 Department on or before April 1 for administration and
14 enforcement by the Department of the change, addition, or
15 deletion beginning on the following July 1 and on or before
16 October 1 for administration and enforcement by the Department
17 of the change, addition, or deletion beginning on the following
18 January 1. If a retailer is incorrectly included or excluded
19 from the list of those located in the STAR bond project, the
20 Department of Revenue shall be held harmless if it reasonably
21 relied on information provided by the political subdivision.

22 (k) Any STAR bond project must be approved by the political
23 subdivision prior to that date which is 23 years from the date
24 of the approval of the STAR bond district, provided however
25 that any amendments to such STAR bond project may occur
26 following such date.

1 (1) Any developer of a STAR bond project shall commence
2 work on the STAR bond project within 3 years from the date of
3 adoption of the STAR bond project plan. If the developer fails
4 to commence work on the STAR bond project within the 3-year
5 period, funding for the project shall cease and the developer
6 of the project or complex shall have one year to appeal to the
7 political subdivision for reapproval of the project and
8 funding. If the project is reapproved, the 3-year period for
9 commencement shall begin again on the date of the reapproval.

10 (m) After the adoption by the corporate authorities of the
11 political subdivision of a STAR bond project plan and approval
12 of the Director pursuant to subsection (e) of Section 20, the
13 political subdivision may authorize the issuance of the STAR
14 bonds in one or more series to finance the STAR bond project in
15 accordance with the provisions of this Act.

16 (n) The maximum maturity of STAR bonds issued to finance a
17 STAR bond project shall not exceed 23 years from the first date
18 of distribution of State sales tax revenues from such STAR bond
19 project to the political subdivision, unless the political
20 subdivision extends such maturity by resolution up to a maximum
21 of 35 years from such first distribution date. Any such
22 extension shall require the approval of the Director. In no
23 event shall the maximum maturity date for any STAR bonds exceed
24 that date which is 35 years from the first distribution date of
25 the first STAR bonds issued in a STAR bond district.

1 Section 25. Co-developers and subdevelopers. Upon approval
2 of a STAR bond project by the political subdivision, the master
3 developer may, subject to the approval of the Director and the
4 political subdivision, develop the STAR bond project on its own
5 or it may develop the STAR bond project with another developer,
6 which may include an assignment or transfer of development
7 rights.

8 (a) A master developer may sell, lease, or otherwise convey
9 its property interest in the STAR bond project area to a
10 co-developer or subdeveloper.

11 (b) A master developer may enter into one or more
12 agreements with a co-developer or subdeveloper in connection
13 with a STAR bond project, and the master developer may request
14 that the political subdivision become a party to the project
15 development agreement, or the master developer may request that
16 the political subdivision amend its master development
17 agreement to provide for certain terms and conditions that may
18 be related to the co-developer or subdeveloper and the STAR
19 bond project. For any project development agreement which the
20 political subdivision would be a party or for any amendments to
21 the master development agreement, the terms and conditions must
22 be acceptable to both the master developer and the political
23 subdivision.

24 Section 30. STAR bonds; source of payment. Any political
25 subdivision shall have the power to issue STAR bonds in one or

1 more series to finance the undertaking of any STAR bond project
2 in accordance with the provisions of this Act and the Omnibus
3 Bond Acts. STAR bonds may be issued as revenue bonds, alternate
4 bonds, or general obligation bonds as defined in and subject to
5 the procedures provided in the Local Government Debt Reform
6 Act.

7 (a) STAR bonds may be made payable, both as to principal
8 and interest, from the following revenues, which to the extent
9 pledged by each respective political subdivision or other
10 public entity for such purpose shall constitute pledged STAR
11 revenues:

12 (1) revenues of the political subdivision derived from
13 or held in connection with the undertaking and carrying out
14 of any STAR bond project or projects under this Act;

15 (2) available private funds and contributions, grants,
16 tax credits, or other financial assistance from the State
17 or federal government;

18 (3) all of the local sales tax increment of a
19 municipality, county, or other unit of local government;

20 (4) any special service area taxes collected within the
21 STAR bond district under the Special Service Area Tax Act,
22 may be used for the purposes of funding project costs or
23 paying debt service on STAR bonds in addition to the
24 purposes contained in the special service area plan;

25 (5) all of the State sales tax increment;

26 (6) any other revenues appropriated by the political

1 subdivision; and

2 (7) any combination of these methods.

3 (b) The political subdivision may pledge the pledged STAR
4 revenues to the repayment of STAR bonds prior to,
5 simultaneously with, or subsequent to the issuance of the STAR
6 bonds.

7 (c) Bonds issued as revenue bonds shall not be general
8 obligations of the political subdivision, nor in any event
9 shall they give rise to a charge against its general credit or
10 taxing powers, or be payable out of any funds or properties
11 other than those set forth in subsection (a) and the bonds
12 shall so state on their face.

13 (d) For each STAR bond project financed with STAR bonds
14 payable from the pledged STAR revenues, the political
15 subdivision shall prepare and submit to the Department of
16 Revenue by June 1 of each year a report describing the status
17 of the STAR bond project, any expenditures of the proceeds of
18 STAR bonds that have occurred for the preceding calendar year,
19 and any expenditures of the proceeds of the bonds expected to
20 occur in the future, including the amount of pledged STAR
21 revenue, the amount of revenue that has been spent, the
22 projected amount of the revenue, and the anticipated use of the
23 revenue. Each annual report shall be accompanied by an
24 affidavit of the master developer certifying the contents of
25 the report as true to the best of the master developer's
26 knowledge. The Department of Revenue shall have the right, but

1 not the obligation, to request the Illinois Auditor General to
2 review the annual report and the political subdivision's
3 records containing the source information for the report for
4 the purpose of verifying the report's contents. If the Illinois
5 Auditor General declines the request for review, the Department
6 of Revenue shall have the right to select an independent
7 third-party auditor to conduct an audit of the annual report
8 and the political subdivision's records containing the source
9 information for the report. The reasonable cost of the audit
10 shall be paid by the master developer. The master development
11 agreement shall grant the Department of Revenue and the
12 Illinois Auditor General the right to review the records of the
13 political subdivision containing the source information for
14 the report.

15 (e) There is created in the State treasury a special fund
16 to be known as the STAR Bonds Revenue Fund. As soon as possible
17 after the first day of each month, beginning January 1, 2011,
18 upon certification of the Department of Revenue, the
19 Comptroller shall order transferred, and the Treasurer shall
20 transfer, from the General Revenue Fund to the STAR Bonds
21 Revenue Fund the State sales tax increment for the second
22 preceding month, less 3% of that amount, which shall be
23 transferred into the Tax Compliance and Administration Fund and
24 shall be used by the Department, subject to appropriation, to
25 cover the costs of the Department in administering the STAR
26 Bonds Financing Act. As soon as possible after the first day of

1 each month, beginning January 1, 2011, upon certification of
2 the Department of Revenue, the Comptroller shall order
3 transferred, and the Treasurer shall transfer, from the Local
4 Government Tax Fund to the STAR Bonds Revenue Fund the local
5 sales tax increment for the second preceding month, as provided
6 in Section 6z-18 of the State Finance Act and from the County
7 and Mass Transit District Fund to the STAR Bonds Revenue Fund
8 the local sales tax increment for the second preceding month,
9 as provided in Section 6z-20 of the State Finance Act.

10 On or before the 25th day of each calendar month, beginning
11 on January 1, 2011, the Department shall prepare and certify to
12 the Comptroller the disbursement of stated sums of money out of
13 the STAR Bonds Revenue Fund to named municipalities and
14 counties, the municipalities and counties to be those entitled
15 to distribution of taxes or penalties paid to the Department
16 during the second preceding calendar month. The amount to be
17 paid to each municipality or county shall be the amount of the
18 State sales tax increment and the local sales tax increment
19 (not including credit memoranda or the amount transferred into
20 the Tax Compliance and Administration Fund) collected during
21 the second preceding calendar month by the Department from
22 retailers and servicemen on transactions at places of business
23 located within a STAR bond district in that municipality or
24 county, plus an amount the Department determines is necessary
25 to offset any amounts which were erroneously paid to a
26 different taxing body, and not including an amount equal to the

1 amount of refunds made during the second preceding calendar
2 month by the Department, and not including any amount which the
3 Department determines is necessary to offset any amounts which
4 are payable to a different taxing body but were erroneously
5 paid to the municipality or county. Within 10 days after
6 receipt, by the Comptroller, of the disbursement certification
7 to the municipalities and counties, provided for in this
8 Section to be given to the Comptroller by the Department, the
9 Comptroller shall cause the orders to be drawn for the
10 respective amounts in accordance with the directions contained
11 in such certification.

12 When certifying the amount of monthly disbursement to a
13 municipality or county under this subsection, the Department
14 shall increase or decrease that amount by an amount necessary
15 to offset any misallocation of previous disbursements. The
16 offset amount shall be the amount erroneously disbursed within
17 the 6 months preceding the time a misallocation is discovered.

18 (f) As of the seventh anniversary of the first date of
19 distribution of State sales tax revenues from the first STAR
20 bond project in the STAR bond district, and as of every fifth
21 anniversary thereafter until final maturity of all STAR bonds
22 issued in a STAR bond district, the aggregate proceeds of STAR
23 bonds issued to date for the STAR bond district shall not
24 exceed 50% of the total development costs in the STAR bond
25 district to date. The Illinois Auditor General shall make the
26 foregoing determination on said seventh anniversary and every 5

1 years thereafter until final maturity of all STAR bonds issued
2 in a STAR bond district. If at any time after the seventh
3 anniversary of the first date of distribution of State sales
4 tax revenues from the first STAR bond project in the STAR bond
5 district the Illinois Auditor General determines that the
6 aggregate proceeds of STAR bonds issued to date for the STAR
7 bond district have exceeded 50% of the total development costs
8 in the STAR bond district, no additional STAR bonds may be
9 issued in the STAR bond district until the percentage is
10 reduced to 50% or below. When the percentage has been reduced
11 to 50% or below, the master developer shall have the right, at
12 its own cost, to obtain a new audit prepared by an independent
13 third-party auditor verifying compliance and shall provide
14 such audit to the Illinois Auditor General for review and
15 approval. Upon the Illinois Auditor General's determination
16 from the audit that the percentage has been reduced to 50% or
17 below, STAR bonds may again be issued in the STAR bond
18 district.

19 Section 31. STAR bond occupation taxes.

20 (a) If the corporate authorities of a political subdivision
21 have established a STAR bond district and have elected to
22 impose a tax by ordinance pursuant to subsection (b) or (c) of
23 this Section, each year after the date of the adoption of the
24 ordinance and until all STAR bond project costs and all
25 political subdivision obligations financing the STAR bond

1 project costs, if any, have been paid in accordance with the
2 STAR bond project plans, but in no event longer than the
3 maximum maturity date of the last of the STAR bonds issued for
4 projects in the STAR bond district, all amounts generated by
5 the retailers' occupation tax and service occupation tax shall
6 be collected and the tax shall be enforced by the Department of
7 Revenue in the same manner as all retailers' occupation taxes
8 and service occupation taxes imposed in the political
9 subdivision imposing the tax. The corporate authorities of the
10 political subdivision shall deposit the proceeds of the taxes
11 imposed under subsections (b) and (c) into a special fund held
12 by the corporate authorities of the political subdivision
13 called the STAR Bonds Tax Allocation Fund for the purpose of
14 paying STAR bond project costs and obligations incurred in the
15 payment of those costs.

16 The tax imposed under this Section by a municipality may be
17 imposed only on the portion of a STAR bond district that is
18 within the boundaries of the municipality. For any part of a
19 STAR bond district that lies outside of the boundaries of that
20 municipality, the municipality in which the other part of the
21 STAR bond district lies (or the county, in cases where a
22 portion of the STAR bond district lies in the unincorporated
23 area of a county) is authorized to impose the tax under this
24 Section on that part of the STAR bond district.

25 (b) The corporate authorities of a political subdivision
26 that has established a STAR bond district under this Act may,

1 by ordinance or resolution, impose a STAR Bond Retailers'
2 Occupation Tax upon all persons engaged in the business of
3 selling tangible personal property, other than an item of
4 tangible personal property titled or registered with an agency
5 of this State's government, at retail in the STAR bond district
6 at a rate not to exceed 1% of the gross receipts from the sales
7 made in the course of that business, to be imposed only in
8 0.25% increments. The tax may not be imposed on food for human
9 consumption that is to be consumed off the premises where it is
10 sold (other than alcoholic beverages, soft drinks, and food
11 that has been prepared for immediate consumption),
12 prescription and nonprescription medicines, drugs, medical
13 appliances, modifications to a motor vehicle for the purpose of
14 rendering it usable by a disabled person, and insulin, urine
15 testing materials, syringes, and needles used by diabetics, for
16 human use.

17 The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident thereof shall be
19 collected and enforced by the Department of Revenue. The
20 certificate of registration that is issued by the Department to
21 a retailer under the Retailers' Occupation Tax Act shall permit
22 the retailer to engage in a business that is taxable under any
23 ordinance or resolution enacted pursuant to this subsection
24 without registering separately with the Department under such
25 ordinance or resolution or under this subsection. The
26 Department of Revenue shall have full power to administer and

1 enforce this subsection; to collect all taxes and penalties due
2 under this subsection in the manner hereinafter provided; and
3 to determine all rights to credit memoranda arising on account
4 of the erroneous payment of tax or penalty under this
5 subsection. In the administration of, and compliance with, this
6 subsection, the Department and persons who are subject to this
7 subsection shall have the same rights, remedies, privileges,
8 immunities, powers, and duties, and be subject to the same
9 conditions, restrictions, limitations, penalties, exclusions,
10 exemptions, and definitions of terms and employ the same modes
11 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
12 through 2-65 (in respect to all provisions therein other than
13 the State rate of tax), 2c through 2h, 3 (except as to the
14 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
15 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
16 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all
17 provisions of the Uniform Penalty and Interest Act, as fully as
18 if those provisions were set forth herein.

19 If a tax is imposed under this subsection (b), a tax shall
20 also be imposed under subsection (c) of this Section.

21 (c) If a tax has been imposed under subsection (b), a STAR
22 Bond Service Occupation Tax shall also be imposed upon all
23 persons engaged, in the STAR bond district, in the business of
24 making sales of service, who, as an incident to making those
25 sales of service, transfer tangible personal property within
26 the STAR bond district, either in the form of tangible personal

1 property or in the form of real estate as an incident to a sale
2 of service. The tax shall be imposed at the same rate as the
3 tax imposed in subsection (b) and shall not exceed 1% of the
4 selling price of tangible personal property so transferred
5 within the STAR bond district, to be imposed only in 0.25%
6 increments. The tax may not be imposed on food for human
7 consumption that is to be consumed off the premises where it is
8 sold (other than alcoholic beverages, soft drinks, and food
9 that has been prepared for immediate consumption),
10 prescription and nonprescription medicines, drugs, medical
11 appliances, modifications to a motor vehicle for the purpose of
12 rendering it usable by a disabled person, and insulin, urine
13 testing materials, syringes, and needles used by diabetics, for
14 human use.

15 The tax imposed under this subsection and all civil
16 penalties that may be assessed as an incident thereof shall be
17 collected and enforced by the Department of Revenue. The
18 certificate of registration that is issued by the Department to
19 a retailer under the Retailers' Occupation Tax Act or under the
20 Service Occupation Tax Act shall permit the registrant to
21 engage in a business that is taxable under any ordinance or
22 resolution enacted pursuant to this subsection without
23 registering separately with the Department under that
24 ordinance or resolution or under this subsection. The
25 Department of Revenue shall have full power to administer and
26 enforce this subsection; to collect all taxes and penalties due

1 under this subsection; to dispose of taxes and penalties so
2 collected in the manner hereinafter provided; and to determine
3 all rights to credit memoranda arising on account of the
4 erroneous payment of tax or penalty under this subsection. In
5 the administration of, and compliance with this subsection, the
6 Department and persons who are subject to this subsection shall
7 have the same rights, remedies, privileges, immunities,
8 powers, and duties, and be subject to the same conditions,
9 restrictions, limitations, penalties, exclusions, exemptions,
10 and definitions of terms and employ the same modes of procedure
11 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
12 (in respect to all provisions therein other than the State rate
13 of tax), 4 (except that the reference to the State shall be to
14 the STAR bond district), 5, 7, 8 (except that the jurisdiction
15 to which the tax shall be a debt to the extent indicated in
16 that Section 8 shall be the political subdivision), 9 (except
17 as to the disposition of taxes and penalties collected, and
18 except that the returned merchandise credit for this tax may
19 not be taken against any State tax), 10, 11, 12 (except the
20 reference therein to Section 2b of the Retailers' Occupation
21 Tax Act), 13 (except that any reference to the State shall mean
22 the political subdivision), the first paragraph of Section 15,
23 and Sections 16, 17, 18, 19 and 20 of the Service Occupation
24 Tax Act and all provisions of the Uniform Penalty and Interest
25 Act, as fully as if those provisions were set forth herein.

26 If a tax is imposed under this subsection (c), a tax shall

1 also be imposed under subsection (b) of this Section.

2 (d) Persons subject to any tax imposed under this Section
3 may reimburse themselves for their seller's tax liability under
4 this Section by separately stating the tax as an additional
5 charge, which charge may be stated in combination, in a single
6 amount, with State taxes that sellers are required to collect
7 under the Use Tax Act, in accordance with such bracket
8 schedules as the Department may prescribe.

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the STAR bond retailers' occupation tax fund.

16 The Department shall immediately pay over to the State
17 Treasurer, ex officio, as trustee, all taxes, penalties, and
18 interest collected under this Section for deposit into the STAR
19 bond retailers' occupation tax fund. On or before the 25th day
20 of each calendar month, the Department shall prepare and
21 certify to the Comptroller the disbursement of stated sums of
22 money to named political subdivisions from the STAR bond
23 retailers' occupation tax fund, the political subdivisions to
24 be those from which retailers have paid taxes or penalties
25 under this Section to the Department during the second
26 preceding calendar month. The amount to be paid to each

1 political subdivision shall be the amount (not including credit
2 memoranda) collected under this Section during the second
3 preceding calendar month by the Department plus an amount the
4 Department determines is necessary to offset any amounts that
5 were erroneously paid to a different taxing body, and not
6 including an amount equal to the amount of refunds made during
7 the second preceding calendar month by the Department, less 3%
8 of that amount, which shall be deposited into the Tax
9 Compliance and Administration Fund and shall be used by the
10 Department, subject to appropriation, to cover the costs of the
11 Department in administering and enforcing the provisions of
12 this Section, on behalf of such political subdivision, and not
13 including any amount that the Department determines is
14 necessary to offset any amounts that were payable to a
15 different taxing body but were erroneously paid to the
16 political subdivision. Within 10 days after receipt by the
17 Comptroller of the disbursement certification to the political
18 subdivisions provided for in this Section to be given to the
19 Comptroller by the Department, the Comptroller shall cause the
20 orders to be drawn for the respective amounts in accordance
21 with the directions contained in the certification. The
22 proceeds of the tax paid to political subdivisions under this
23 Section shall be deposited into the STAR Bonds Tax Allocation
24 Fund by the political subdivision.

25 An ordinance or resolution imposing or discontinuing the
26 tax under this Section or effecting a change in the rate

1 thereof shall either (i) be adopted and a certified copy
2 thereof filed with the Department on or before the first day of
3 April, whereupon the Department, if all other requirements of
4 this Section are met, shall proceed to administer and enforce
5 this Section as of the first day of July next following the
6 adoption and filing; or (ii) be adopted and a certified copy
7 thereof filed with the Department on or before the first day of
8 October, whereupon, if all other requirements of this Section
9 are met, the Department shall proceed to administer and enforce
10 this Section as of the first day of January next following the
11 adoption and filing.

12 The Department of Revenue shall not administer or enforce
13 an ordinance imposing, discontinuing, or changing the rate of
14 the tax under this Section, until the political subdivision
15 also provides, in the manner prescribed by the Department, the
16 boundaries of the STAR bond district and each address in the
17 STAR bond district in such a way that the Department can
18 determine by its address whether a business is located in the
19 STAR bond district. The political subdivision must provide this
20 boundary and address information to the Department on or before
21 April 1 for administration and enforcement of the tax under
22 this Section by the Department beginning on the following July
23 1 and on or before October 1 for administration and enforcement
24 of the tax under this Section by the Department beginning on
25 the following January 1. The Department of Revenue shall not
26 administer or enforce any change made to the boundaries of a

1 STAR bond district or any address change, addition, or deletion
2 until the political subdivision reports the boundary change or
3 address change, addition, or deletion to the Department in the
4 manner prescribed by the Department. The political subdivision
5 must provide this boundary change or address change, addition,
6 or deletion information to the Department on or before April 1
7 for administration and enforcement by the Department of the
8 change, addition, or deletion beginning on the following July 1
9 and on or before October 1 for administration and enforcement
10 by the Department of the change, addition, or deletion
11 beginning on the following January 1. The retailers in the STAR
12 bond district shall be responsible for charging the tax imposed
13 under this Section. If a retailer is incorrectly included or
14 excluded from the list of those required to collect the tax
15 under this Section, both the Department of Revenue and the
16 retailer shall be held harmless if they reasonably relied on
17 information provided by the political subdivision.

18 A political subdivision that imposes the tax under this
19 Section must submit to the Department of Revenue any other
20 information as the Department may require for the
21 administration and enforcement of the tax.

22 When certifying the amount of a monthly disbursement to a
23 political subdivision under this Section, the Department shall
24 increase or decrease the amount by an amount necessary to
25 offset any misallocation of previous disbursements. The offset
26 amount shall be the amount erroneously disbursed within the

1 previous 6 months from the time a misallocation is discovered.

2 Nothing in this Section shall be construed to authorize the
3 political subdivision to impose a tax upon the privilege of
4 engaging in any business which under the Constitution of the
5 United States may not be made the subject of taxation by this
6 State.

7 (e) When STAR bond project costs, including, without
8 limitation, all political subdivision obligations financing
9 STAR bond project costs, have been paid, any surplus funds then
10 remaining in the STAR Bonds Tax Allocation Fund shall be
11 distributed to the treasurer of the political subdivision for
12 deposit into the political subdivision's general corporate
13 fund. Upon payment of all STAR bond project costs and
14 retirement of obligations, but in no event later than the
15 maximum maturity date of the last of the STAR bonds issued in
16 the STAR bond district, the political subdivision shall adopt
17 an ordinance immediately rescinding the taxes imposed pursuant
18 to this Section and file a certified copy of the ordinance with
19 the Department in the form and manner as described in this
20 Section.

21 Section 33. STAR Bonds Community Improvement Trust Fund.

22 (a) The STAR Bonds Community Improvement Trust Fund is
23 created as a trust fund in the State treasury. Deposits into
24 the Trust Fund shall be made as provided under this Section.
25 Moneys in the Trust Fund shall be used by the Department of

1 Revenue only for the purpose of making payments to
2 municipalities that lie within a 12 mile radius of the
3 political subdivision in which the STAR bond district is
4 located and the county in which the STAR bond district is
5 located. Moneys in the Trust Fund are not subject to
6 appropriation and shall be used solely as provided in this
7 Section. All deposits into the Trust Fund shall be held in the
8 Trust Fund by the State Treasurer as ex officio custodian
9 separate and apart from all public moneys or funds of this
10 State and shall be administered by the Department exclusively
11 for the purposes set forth in this Section. All moneys in the
12 Trust Fund shall be invested and reinvested by the State
13 Treasurer. All interest accruing from these investments shall
14 be deposited in the Trust Fund.

15 (b) Upon approval of a STAR bond district by the Director,
16 the political subdivision shall immediately transmit to the
17 county clerk of the county in which the district is located a
18 certified copy of the ordinance creating the district, a legal
19 description of the district, a map of the district,
20 identification of the year that the county clerk shall use for
21 determining the total initial equalized assessed value of the
22 district consistent with subsection (c), and a list of the
23 parcel or tax identification number of each parcel of property
24 included in the district.

25 (c) Upon approval of a STAR bond district, the county clerk
26 immediately thereafter shall determine (i) the most recently

1 ascertained equalized assessed value of each lot, block, tract,
2 or parcel of real property within the STAR bond district, from
3 which shall be deducted the homestead exemptions under Article
4 15 of the Property Tax Code, which value shall be the initial
5 equalized assessed value of each such piece of property, and
6 (ii) the total equalized assessed value of all taxable real
7 property within the district by adding together the most
8 recently ascertained equalized assessed value of each taxable
9 lot, block, tract, or parcel of real property within the
10 district, from which shall be deducted the homestead exemptions
11 under Article 15 of the Property Tax Code, and shall certify
12 that amount as the total initial equalized assessed value of
13 the taxable real property within the STAR bond district.

14 (d) In reference to any STAR bond district created within
15 any political subdivision, and in respect to which the county
16 clerk has certified the total initial equalized assessed value
17 of the property in the area, the political subdivision may
18 thereafter request the clerk in writing to adjust the initial
19 equalized value of all taxable real property within the STAR
20 bond district by deducting therefrom the exemptions under
21 Article 15 of the Property Tax Code applicable to each lot,
22 block, tract, or parcel of real property within the STAR bond
23 district. The county clerk shall immediately after the written
24 request to adjust the total initial equalized value is received
25 determine the total homestead exemptions in the STAR bond
26 district as provided under Article 15 of the Property Tax Code

1 by adding together the homestead exemptions provided by said
2 Article on each lot, block, tract, or parcel of real property
3 within STAR bond district and then shall deduct the total of
4 said exemptions from the total initial equalized assessed
5 value. The county clerk shall then promptly certify that amount
6 as the total initial equalized assessed value as adjusted of
7 the taxable real property within the STAR bond district.

8 (e) The county clerk or other person authorized by law
9 shall compute the tax rates for each taxing district with all
10 or a portion of its equalized assessed value located in the
11 STAR bond district. The rate per cent of tax determined shall
12 be extended to the current equalized assessed value of all
13 property in the district in the same manner as the rate per
14 cent of tax is extended to all other taxable property in the
15 taxing district.

16 (f) Beginning with the assessment year in which the first
17 destination user in the first STAR bond project in a STAR bond
18 district makes its first retail sales and for each assessment
19 year thereafter until final maturity of the last STAR bonds
20 issued in the district, the county clerk or other person
21 authorized by law shall determine the increase in equalized
22 assessed value of all real property within the STAR bond
23 district by subtracting the initial equalized assessed value of
24 all property in the district certified under subsection (c)
25 from the current equalized assessed value of all property in
26 the district. Each year, the property taxes arising from the

1 increase in equalized assessed value in the STAR bond district
2 shall be determined for each taxing district and shall be
3 certified to the county collector.

4 (g) Beginning with the year in which taxes are collected
5 based on the assessment year in which the first destination
6 user in the first STAR bond project in a STAR bond district
7 makes its first retail sales and for each year thereafter until
8 final maturity of the last STAR bonds issued in the district,
9 the county collector shall, within 30 days after receipt of
10 property taxes, transmit to the Department to be deposited into
11 the STAR Bonds Community Improvement Trust Fund 15% of property
12 taxes attributable to the increase in equalized assessed value
13 within the STAR bond district from each taxing district as
14 certified in subsection (f).

15 (h) The Department shall pay to each municipality that lies
16 within 12 miles of the STAR bond district (excluding the
17 municipality in which the STAR bond district is located) and to
18 the county in which the STAR bond district is located for each
19 year for which money is remitted to the Department and paid
20 into the STAR Bonds Community Improvement Trust Fund, a portion
21 of the money in the Fund as provided in this subsection. The
22 money in the Fund shall first be allocated such that 35% of the
23 money is paid to the municipalities that lie within 5 miles of
24 the STAR bond district (excluding the municipality in which the
25 STAR bond district is located), with the balance being paid to
26 the municipalities that lie more than 5 but no more than 12

1 miles from the STAR bond district and the county. The amount
2 paid to each political subdivision (after allocating 35% to
3 municipalities that lie within 5 miles of the STAR bond
4 district and 65% to the municipalities that lie more than 5 but
5 not more than 12 miles from the STAR bond district and the
6 county) shall be based on each qualifying municipality or
7 county's proportionate share of the total municipal and county
8 sales tax generated within a 12 mile radius of the STAR bond
9 district (excluding the municipality in which the STAR bond
10 district is located) as measured over the 4 years immediately
11 prior to the year in which the first retail sales are made in
12 the district.

13 The Department shall determine the distributions under
14 this Section using its best judgment and information. The
15 Department shall be held harmless for the distributions made
16 under this Section and all distributions shall be final.

17 (i) In any year that an assessment appeal is filed, the
18 extension of taxes on any assessment so appealed shall not be
19 delayed. In the case of an assessment that is altered, any
20 taxes extended upon the unauthorized assessment or part thereof
21 shall be abated, or, if already paid, shall be refunded with
22 interest as provided in Section 23-20 of the Property Tax Code.
23 In the case of an assessment appeal, the county collector shall
24 notify the Department that an assessment appeal has been filed
25 and the amount of the tax that would have been deposited in the
26 STAR Bond Community Improvement Fund. The county collector

1 shall hold that amount in a separate fund until the appeal
2 process is final. After the appeal process is finalized, the
3 county collector shall transmit to the Department the amount of
4 tax that remains, if any, after all required refunds are made.
5 The Department shall pay any amount deposited into the Trust
6 Fund under this Section in the same proportion as determined
7 for payments for that taxable year under subsection (h).

8 (j) In any year that ad valorem taxes are allocated to the
9 STAR Bonds Community Improvement Trust Fund, that allocation
10 shall not reduce or otherwise impact the school aid provided to
11 any school district under the general State school aid formula
12 provided for in Section 18-8.05 of the School Code.

13 Section 34. STAR bond district property tax. To assist in
14 the provision of special services that will necessarily be
15 required by a STAR bond district, the political subdivision
16 forming a STAR bond district shall, subject to item (6) of
17 Section 7 of Article VII of the Illinois Constitution, have the
18 power to levy a tax on the equalized assessed value of property
19 within the STAR bond district to be known as the "STAR bond
20 district property tax". For purposes of this Section, the
21 corporate authorities of the political subdivision forming the
22 STAR bond district shall be the governing body of the STAR bond
23 district. The powers vested in political subdivisions under
24 this Section shall be in addition to those set forth in the
25 Special Service Area Tax Law.

1 (a) The STAR bond district property tax may be annually
2 levied or imposed by the political subdivision in the STAR bond
3 district in an amount equal to 1% of the equalized assessed
4 value. Prior to the first levy of the STAR bond district
5 property tax, notice shall be furnished at least once in a
6 newspaper of general circulation within the political
7 subdivision not less than 15 days prior to the first levy. For
8 purposes of this Section, the notice shall include: (i) the
9 boundaries of the STAR bond district by legal description and,
10 where possible, by street location; (ii) the permanent tax
11 index number of each parcel located within the STAR bond
12 district; and (iii) a statement that the proposed tax is to be
13 levied pursuant to this Section to pay for the provision of
14 certain special services provided to the STAR bond district.

15 After the first levy of the STAR bond district property tax
16 within the STAR bond district, the tax may continue to be
17 levied in subsequent years without the requirement of an
18 additional public notice until such time as the STAR bond
19 district is terminated pursuant to this Act.

20 (b) No STAR bond district property tax lien shall be
21 established against any real property in a STAR bond district
22 nor shall a STAR bond district property tax be valid before a
23 certified copy of the ordinance or ordinances establishing the
24 STAR bond district property tax and establishing or altering
25 the boundaries of the STAR bond district, including a legal
26 description of the territory of the STAR bond district, the

1 permanent tax index numbers of the parcels located within the
2 STAR bond district, an accurate map of the STAR bond district,
3 and a copy of the notice is filed for record in the office of
4 the recorder in each county in which any part of the STAR bond
5 district is located. The ordinance must be recorded no later
6 than 60 days after the date the ordinance establishing the STAR
7 bond district property tax was adopted.

8 (c) If the STAR bond district property tax is levied, the
9 tax shall be extended by the county clerk in the STAR bond
10 district in the manner provided by Articles 1 through 26 of the
11 Property Tax Code based on equalized assessed values as
12 established under Articles 1 through 26 of the Property Tax
13 Code. The political subdivision shall file a certified copy of
14 the ordinance creating the STAR bond district, including an
15 accurate map thereof, with the county clerk. The corporate
16 authorities of the political subdivision may levy taxes in the
17 STAR bond district prior to the date the levy must be filed
18 with the county clerk, for the same year in which the ordinance
19 and map are filed with the county clerk. In addition, the
20 corporate authorities shall file a certified copy of each
21 ordinance levying the STAR bond district property tax on or
22 before the last Tuesday of December of each year and shall file
23 a certified copy of any ordinance authorizing the issuance of
24 bonds by December 31 of the year of the first levy.

25 Section 35. Alternate bonds and general obligation bonds. A

1 political subdivision shall have the power to issue alternate
2 revenue and other general obligation bonds to finance the
3 undertaking, establishment, or redevelopment of any STAR bond
4 project as provided and pursuant to the procedures set forth in
5 the Local Government Debt Reform Act. A political subdivision
6 shall have the power to issue general obligation bonds to
7 finance the undertaking, establishment, or redevelopment of
8 any STAR bond project on approval by the voters of the
9 political subdivision of a proposition authorizing the issue of
10 such bonds.

11 The full faith and credit of the State, any department,
12 authority, public corporation or quasi-public corporation of
13 the State, any State college or university, or any other public
14 agency created by the State shall not be pledged for any
15 payment under any obligation authorized by this Act.

16 Section 40. Amendments to STAR bond district. Any addition
17 of real property to a STAR bond district or any substantial
18 change to a STAR bond district plan shall be subject to the
19 same procedure for public notice, hearing, and approval as is
20 required for the establishment of the STAR bond district
21 pursuant to this Act.

22 (a) The addition or removal of land to or from a STAR bond
23 district shall require the consent of the master developer of
24 the STAR bond district.

25 (b) Any land that is outside of, but is contiguous to an

1 established STAR bond district and is subsequently owned,
2 leased, or controlled by the master developer shall be added to
3 a STAR bond district at the request of the master developer and
4 by approval of the political subdivision, provided that the
5 land becomes a part of a STAR bond project area.

6 (c) If a political subdivision has undertaken a STAR bond
7 project within a STAR bond district, and the political
8 subdivision desires to subsequently remove more than a de
9 minimus amount of real property from the STAR bond district,
10 then prior to any removal of property the political subdivision
11 must provide a revised feasibility study showing that the
12 pledged STAR revenues from the resulting STAR bond district
13 within which the STAR bond project is located are estimated to
14 be sufficient to pay the project costs. If the revenue from the
15 resulting STAR bond district is insufficient to pay the project
16 costs, then the property may not be removed from the STAR bond
17 district. Any removal of real property from a STAR bond
18 district shall be approved by a resolution of the governing
19 body of the political subdivision.

20 (d) If the boundaries of a STAR bond district are proposed
21 to be enlarged and a STAR bond district property tax has been
22 established pursuant to Section 34, the same notice
23 requirements set forth in subsection (a) of Section 34 shall be
24 complied with prior to implementation of the STAR bond district
25 property tax in any area that becomes, or is proposed to
26 become, a part of the STAR bond district. The property added to

1 the STAR bond district shall be subject to all taxes levied in
2 the district after the property becomes a part of the district.

3 Section 45. Restrictions. No portion of a STAR bond project
4 shall be financed with tax increment financing pursuant to the
5 Tax Increment Allocation Redevelopment Act, and no moneys
6 deposited into the STAR Bonds Revenue Fund shall be used to
7 fund tax increment financing district projects. An existing
8 district created under the Tax Increment Allocation
9 Redevelopment Act, Industrial Jobs Recovery Law, or County
10 Economic Development Project Area Property Tax Allocation Act
11 may not annex parcels located within a STAR bond district nor
12 may a new district be created that encompasses any portion of a
13 STAR bond district. During any period of time that STAR bonds
14 are outstanding for a STAR bond district, a developer may not
15 use any land located in the STAR bond district for any (i)
16 retail store whose primary business is the sale of automobiles,
17 including trucks and other automotive vehicles with 4 wheels
18 designed for passenger transportation on public streets and
19 thoroughfares or (ii) stadium or facility for playing National
20 Association of Minor League Baseball or Professional
21 Independent Baseball League games.

22 Section 50. Reporting taxes. Notwithstanding any other
23 provisions of law to the contrary, the Department of Revenue
24 shall provide a certified report of the State sales tax

1 increment and local sales tax increment from all taxpayers
2 within a STAR bond district to the bond trustee, escrow agent,
3 or paying agent for such bonds upon the written request of the
4 political subdivision on or before the 25th day of each month.
5 Such report shall provide a detailed allocation of State sales
6 tax increment and local sales tax increment from each local
7 sales tax and State sales tax reported to the Department of
8 Revenue.

9 (a) The bond trustee, escrow agent, or paying agent shall
10 keep such sales and use tax reports and the information
11 contained therein confidential, but may use such information
12 for purposes of allocating and depositing the sales and use tax
13 revenues in connection with the bonds used to finance project
14 costs in such STAR bond district. Except as otherwise provided
15 herein, the sales and use tax reports received by the bond
16 trustee, escrow agent, or paying agent shall be subject to the
17 provisions of Chapter 35 of the Illinois Compiled Statutes,
18 including Section 3 of the Retailers' Occupation Tax Act and
19 Section 9 of the Use Tax Act.

20 (b) The political subdivision shall determine when the
21 amount of sales tax and other revenues that have been collected
22 and distributed to the bond debt service or reserve fund is
23 sufficient to satisfy all principal and interest costs to the
24 maturity date or dates of any STAR bond issued by a political
25 subdivision to finance a STAR bond project and shall give the
26 Department of Revenue written notice of such determination. The

1 notice shall include a date certain on which deposits into the
2 STAR Bonds Revenue Fund for that STAR bond project shall
3 terminate and shall be provided to the Department of Revenue at
4 least 60 days prior to that date. Thereafter, all sales tax and
5 other revenues shall be collected and distributed in accordance
6 with applicable law.

7 Section 52. Review committee. Upon the seventh anniversary
8 of the first date of distribution of State sales tax revenues
9 from the first STAR bond project in the State, a 6-member STAR
10 bonds review committee shall be formed consisting of one
11 appointee of each of the Director, the Director of the
12 Department of Commerce and Economic Opportunity, the President
13 of the Senate, the Senate Minority Leader, the Speaker of the
14 House, and the House Minority Leader. The review committee
15 shall evaluate the success of all STAR bond districts then
16 existing in the State and make a determination of the
17 comprehensive economic benefits and detriments of STAR bonds in
18 the State as a whole. In making its determination, the review
19 committee shall examine available data regarding job creation,
20 sales revenues, and capital investment in STAR bond districts;
21 development that has occurred and is planned in areas adjacent
22 to STAR bond districts that will not be directly financed with
23 STAR bonds; effects of market conditions on STAR bond districts
24 and the likelihood of future successes based on improving or
25 declining market conditions; retail sales migration and

1 cannibalization of retail sales due to STAR bond districts; and
2 other relevant economic factors. The review committee shall
3 provide the Director, the General Assembly, and the Governor
4 with a written report detailing its findings and shall make a
5 final determination of whether STAR bonds have had, and are
6 likely to continue having, a negative or positive economic
7 impact on the State as a whole. Upon completing and filing its
8 written report, the review committee shall be dissolved. If the
9 review committee's report makes a final determination that STAR
10 bonds have had and are likely to continue having a negative
11 economic impact on the State as a whole, then no new STAR bond
12 districts may thereafter be formed in the State until further
13 action by the General Assembly.

14 Section 55. Severability. If any provision of this Act or
15 the application thereof to any persons or circumstances is held
16 invalid, such invalidity shall not affect other provisions or
17 application of the Act that can be given effect without the
18 invalid provisions or application and to this end the
19 provisions of this Act are declared to be severable.

20 Section 57. Rules. The Department of Revenue shall have the
21 authority to adopt such rules as are reasonable and necessary
22 to implement the provisions of this Act. Notwithstanding the
23 foregoing, the Department of Revenue shall have the authority,
24 prior to adoption and approval of those rules, to approve a

1 STAR bond district in accordance with subsection (d) of Section
2 20 and otherwise administer the Act while those rules are
3 pending adoption and approval.

4 Section 60. Open meetings and freedom of information. All
5 public hearings related to the administration, formation,
6 implementation, development, or construction of a STAR bond
7 district, STAR bond district plan, STAR bond project, or STAR
8 bond project plan, including but not limited to the public
9 hearings required by Sections 15, 20, and 40 of this Act, shall
10 be held in compliance with the Open Meetings Act. The public
11 hearing records, feasibility study, and other documents that do
12 not otherwise meet a confidentiality exemption shall be subject
13 to the Freedom of Information Act.

14 Section 62. Powers of political subdivisions. The
15 provisions of this Act are intended to be supplemental and in
16 addition to all other power or authority granted to political
17 subdivisions, shall be construed liberally, and shall not be
18 construed as a limitation of any power or authority otherwise
19 granted. In addition to the powers a political subdivision may
20 have under other provisions of law, a political subdivision
21 shall have all of the following powers in connection with a
22 STAR bond district:

23 (a) To make and enter into all contracts necessary or
24 incidental to the implementation and furtherance of a STAR

1 bond district plan.

2 (b) Within a STAR bond district, to acquire by
3 purchase, donation, or lease, and to own, convey, lease,
4 mortgage, or dispose of land and other real or personal
5 property or rights or interests in property and to grant or
6 acquire licenses, easements, and options with respect to
7 property, all in the manner and at a price the political
8 subdivision determines is reasonably necessary to achieve
9 the objectives of the STAR bond project.

10 (c) To clear any area within a STAR bond district by
11 demolition or removal of any existing buildings,
12 structures, fixtures, utilities, or improvements and to
13 clear and grade land.

14 (d) To install, repair, construct, reconstruct, extend
15 or relocate public streets, public utilities, and other
16 public site improvements located both within and outside
17 the boundaries of a STAR bond district that are essential
18 to the preparation of a STAR bond district for use in
19 accordance with a STAR bond district plan.

20 (e) To renovate, rehabilitate, reconstruct, relocate,
21 repair, or remodel any existing buildings, improvements,
22 and fixtures within a STAR bond district.

23 (f) To install or construct any public buildings,
24 structures, works, streets, improvements, utilities, or
25 fixtures within a STAR bond district.

26 (g) To issue STAR bonds as provided in this Act.

1 (h) Subject to the limitations set forth in the
2 definition of "project costs" in Section 10 of this Act, to
3 fix, charge, and collect fees, rents, and charges for the
4 use of any building, facility, or property or any portion
5 of a building, facility, or property owned or leased by the
6 political subdivision in furtherance of a STAR bond project
7 under this Act within a STAR bond district.

8 (i) To accept grants, guarantees, donations of
9 property or labor, or any other thing of value for use in
10 connection with a STAR bond project.

11 (j) To pay or cause to be paid STAR bond project costs,
12 including, specifically, to reimburse any developer or
13 nongovernmental person for STAR bond project costs
14 incurred by that person. A political subdivision is not
15 required to obtain any right, title, or interest in any
16 real or personal property in order to pay STAR bond project
17 costs associated with the property. The political
18 subdivision shall adopt accounting procedures necessary to
19 determine that the STAR bond project costs are properly
20 paid.

21 (k) To exercise any and all other powers necessary to
22 effectuate the purposes of this Act.

23 Section 65. The Illinois State Auditing Act is amended by
24 changing Section 3-1 as follows:

1 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

2 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
3 General has jurisdiction over all State agencies to make post
4 audits and investigations authorized by or under this Act or
5 the Constitution.

6 The Auditor General has jurisdiction over local government
7 agencies and private agencies only:

8 (a) to make such post audits authorized by or under
9 this Act as are necessary and incidental to a post audit of
10 a State agency or of a program administered by a State
11 agency involving public funds of the State, but this
12 jurisdiction does not include any authority to review local
13 governmental agencies in the obligation, receipt,
14 expenditure or use of public funds of the State that are
15 granted without limitation or condition imposed by law,
16 other than the general limitation that such funds be used
17 for public purposes;

18 (b) to make investigations authorized by or under this
19 Act or the Constitution; and

20 (c) to make audits of the records of local government
21 agencies to verify actual costs of state-mandated programs
22 when directed to do so by the Legislative Audit Commission
23 at the request of the State Board of Appeals under the
24 State Mandates Act.

25 In addition to the foregoing, the Auditor General may
26 conduct an audit of the Metropolitan Pier and Exposition

1 Authority, the Regional Transportation Authority, the Suburban
2 Bus Division, the Commuter Rail Division and the Chicago
3 Transit Authority and any other subsidized carrier when
4 authorized by the Legislative Audit Commission. Such audit may
5 be a financial, management or program audit, or any combination
6 thereof.

7 The audit shall determine whether they are operating in
8 accordance with all applicable laws and regulations. Subject to
9 the limitations of this Act, the Legislative Audit Commission
10 may by resolution specify additional determinations to be
11 included in the scope of the audit.

12 In addition to the foregoing, the Auditor General must also
13 conduct a financial audit of the Illinois Sports Facilities
14 Authority's expenditures of public funds in connection with the
15 reconstruction, renovation, remodeling, extension, or
16 improvement of all or substantially all of any existing
17 "facility", as that term is defined in the Illinois Sports
18 Facilities Authority Act.

19 The Auditor General may also conduct an audit, when
20 authorized by the Legislative Audit Commission, of any hospital
21 which receives 10% or more of its gross revenues from payments
22 from the State of Illinois, Department of Healthcare and Family
23 Services (formerly Department of Public Aid), Medical
24 Assistance Program.

25 The Auditor General is authorized to conduct financial and
26 compliance audits of the Illinois Distance Learning Foundation

1 and the Illinois Conservation Foundation.

2 As soon as practical after the effective date of this
3 amendatory Act of 1995, the Auditor General shall conduct a
4 compliance and management audit of the City of Chicago and any
5 other entity with regard to the operation of Chicago O'Hare
6 International Airport, Chicago Midway Airport and Merrill C.
7 Meigs Field. The audit shall include, but not be limited to, an
8 examination of revenues, expenses, and transfers of funds;
9 purchasing and contracting policies and practices; staffing
10 levels; and hiring practices and procedures. When completed,
11 the audit required by this paragraph shall be distributed in
12 accordance with Section 3-14.

13 The Auditor General shall conduct a financial and
14 compliance and program audit of distributions from the
15 Municipal Economic Development Fund during the immediately
16 preceding calendar year pursuant to Section 8-403.1 of the
17 Public Utilities Act at no cost to the city, village, or
18 incorporated town that received the distributions.

19 The Auditor General must conduct an audit of the Health
20 Facilities and Services Review Board pursuant to Section 19.5
21 of the Illinois Health Facilities Planning Act.

22 The Auditor General of the State of Illinois shall annually
23 conduct or cause to be conducted a financial and compliance
24 audit of the books and records of any county water commission
25 organized pursuant to the Water Commission Act of 1985 and
26 shall file a copy of the report of that audit with the Governor

1 and the Legislative Audit Commission. The filed audit shall be
2 open to the public for inspection. The cost of the audit shall
3 be charged to the county water commission in accordance with
4 Section 6z-27 of the State Finance Act. The county water
5 commission shall make available to the Auditor General its
6 books and records and any other documentation, whether in the
7 possession of its trustees or other parties, necessary to
8 conduct the audit required. These audit requirements apply only
9 through July 1, 2007.

10 The Auditor General must conduct audits of the Rend Lake
11 Conservancy District as provided in Section 25.5 of the River
12 Conservancy Districts Act.

13 The Auditor General must conduct financial audits of the
14 Southeastern Illinois Economic Development Authority as
15 provided in Section 70 of the Southeastern Illinois Economic
16 Development Authority Act.

17 The Auditor General shall conduct a compliance audit in
18 accordance with subsections (d) and (f) of Section 30 of the
19 STAR Bonds Financing Act.

20 (Source: P.A. 95-331, eff. 8-21-07; 96-31, eff. 6-30-09.)

21 Section 66. The State Finance Act is amended by changing
22 Sections 6z-18 and 6z-20 and by adding Sections 5.756 and 5.757
23 as follows:

24 (30 ILCS 105/5.756 new)

1 Sec. 5.756. The STAR Bonds Revenue Fund.

2 (30 ILCS 105/5.757 new)

3 Sec. 5.757. STAR Bonds Community Improvement Trust Fund.

4 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

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

17 A portion of the money paid into the Local Government Tax
18 Fund from the 6.25% general use tax rate on the selling price
19 of tangible personal property which is purchased outside
20 Illinois at retail from a retailer and which is titled or
21 registered by any agency of this State's government shall be
22 distributed to municipalities as provided in this paragraph.
23 Each municipality shall receive the amount attributable to
24 sales for which Illinois addresses for titling or registration

1 purposes are given as being in such municipality. The remainder
2 of the money paid into the Local Government Tax Fund from such
3 sales shall be distributed to counties. Each county shall
4 receive the amount attributable to sales for which Illinois
5 addresses for titling or registration purposes are given as
6 being located in the unincorporated area of such county.

7 A portion of the money paid into the Local Government Tax
8 Fund from the 6.25% general rate (and, beginning July 1, 2000
9 and through December 31, 2000, the 1.25% rate on motor fuel and
10 gasohol) on sales subject to taxation under the Retailers'
11 Occupation Tax Act and the Service Occupation Tax Act, which
12 occurred in municipalities, shall be distributed to each
13 municipality, based upon the sales which occurred in that
14 municipality. The remainder shall be distributed to each
15 county, based upon the sales which occurred in the
16 unincorporated area of such county.

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

26 Whenever the Department determines that a refund of money

1 paid into the Local Government Tax Fund should be made to a
2 claimant instead of issuing a credit memorandum, the Department
3 shall notify the State Comptroller, who shall cause the order
4 to be drawn for the amount specified, and to the person named,
5 in such notification from the Department. Such refund shall be
6 paid by the State Treasurer out of the Local Government Tax
7 Fund.

8 As soon as possible after the first day of each month,
9 beginning January 1, 2011, upon certification of the Department
10 of Revenue, the Comptroller shall order transferred, and the
11 Treasurer shall transfer to the STAR Bonds Revenue Fund the
12 local sales tax increment, as defined in the STAR Bonds
13 Financing Act, collected during the second preceding calendar
14 month for sales within a STAR bond district and deposited into
15 the Local Government Tax Fund, less 3% of that amount, which
16 shall be transferred into the Tax Compliance and Administration
17 Fund and shall be used by the Department, subject to
18 appropriation, to cover the costs of the Department in
19 administering the STAR Bonds Financing Act.

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on ~~on~~ or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named municipalities
24 and counties, the municipalities and counties to be those
25 entitled to distribution of taxes or penalties paid to the
26 Department during the second preceding calendar month. The

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

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

26 The provisions directing the distributions from the

1 special fund in the State Treasury provided for in this Section
2 shall constitute an irrevocable and continuing appropriation
3 of all amounts as provided herein. The State Treasurer and
4 State Comptroller are hereby authorized to make distributions
5 as provided in this Section.

6 In construing any development, redevelopment, annexation,
7 preannexation or other lawful agreement in effect prior to
8 September 1, 1990, which describes or refers to receipts from a
9 county or municipal retailers' occupation tax, use tax or
10 service occupation tax which now cannot be imposed, such
11 description or reference shall be deemed to include the
12 replacement revenue for such abolished taxes, distributed from
13 the Local Government Tax Fund.

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

16 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

17 Sec. 6z-20. Of the money received from the 6.25% general
18 rate (and, beginning July 1, 2000 and through December 31,
19 2000, the 1.25% rate on motor fuel and gasohol) on sales
20 subject to taxation under the Retailers' Occupation Tax Act and
21 Service Occupation Tax Act and paid into the County and Mass
22 Transit District Fund, distribution to the Regional
23 Transportation Authority tax fund, created pursuant to Section
24 4.03 of the Regional Transportation Authority Act, for deposit
25 therein shall be made based upon the retail sales occurring in

1 a county having more than 3,000,000 inhabitants. The remainder
2 shall be distributed to each county having 3,000,000 or fewer
3 inhabitants based upon the retail sales occurring in each such
4 county.

5 For the purpose of determining allocation to the local
6 government unit, a retail sale by a producer of coal or other
7 mineral mined in Illinois is a sale at retail at the place
8 where the coal or other mineral mined in Illinois is extracted
9 from the earth. This paragraph does not apply to coal or other
10 mineral when it is delivered or shipped by the seller to the
11 purchaser at a point outside Illinois so that the sale is
12 exempt under the United States Constitution as a sale in
13 interstate or foreign commerce.

14 Of the money received from the 6.25% general use tax rate
15 on tangible personal property which is purchased outside
16 Illinois at retail from a retailer and which is titled or
17 registered by any agency of this State's government and paid
18 into the County and Mass Transit District Fund, the amount for
19 which Illinois addresses for titling or registration purposes
20 are given as being in each county having more than 3,000,000
21 inhabitants shall be distributed into the Regional
22 Transportation Authority tax fund, created pursuant to Section
23 4.03 of the Regional Transportation Authority Act. The
24 remainder of the money paid from such sales shall be
25 distributed to each county based on sales for which Illinois
26 addresses for titling or registration purposes are given as

1 being located in the county. Any money paid into the Regional
2 Transportation Authority Occupation and Use Tax Replacement
3 Fund from the County and Mass Transit District Fund prior to
4 January 14, 1991, which has not been paid to the Authority
5 prior to that date, shall be transferred to the Regional
6 Transportation Authority tax fund.

7 Whenever the Department determines that a refund of money
8 paid into the County and Mass Transit District Fund should be
9 made to a claimant instead of issuing a credit memorandum, the
10 Department shall notify the State Comptroller, who shall cause
11 the order to be drawn for the amount specified, and to the
12 person named, in such notification from the Department. Such
13 refund shall be paid by the State Treasurer out of the County
14 and Mass Transit District Fund.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 State sales tax increment, as defined in the STAR Bonds
20 Financing Act, collected during the second preceding calendar
21 month for sales within a STAR bond district and deposited into
22 the County and Mass Transit District Fund, less 3% of that
23 amount, which shall be transferred into the Tax Compliance and
24 Administration Fund and shall be used by the Department,
25 subject to appropriation, to cover the costs of the Department
26 in administering the STAR Bonds Financing Act.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on ~~On~~ or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to the Regional
5 Transportation Authority and to named counties, the counties to
6 be those entitled to distribution, as hereinabove provided, of
7 taxes or penalties paid to the Department during the second
8 preceding calendar month. The amount to be paid to the Regional
9 Transportation Authority and each county having 3,000,000 or
10 fewer inhabitants shall be the amount (not including credit
11 memoranda) collected during the second preceding calendar
12 month by the Department and paid into the County and Mass
13 Transit District Fund, plus an amount the Department determines
14 is necessary to offset any amounts which were erroneously paid
15 to a different taxing body, and not including an amount equal
16 to the amount of refunds made during the second preceding
17 calendar month by the Department, and not including any amount
18 which the Department determines is necessary to offset any
19 amounts which were payable to a different taxing body but were
20 erroneously paid to the Regional Transportation Authority or
21 county, and not including any amounts that are transferred to
22 the STAR Bonds Revenue Fund. Within 10 days after receipt, by
23 the Comptroller, of the disbursement certification to the
24 Regional Transportation Authority and counties, provided for
25 in this Section to be given to the Comptroller by the
26 Department, the Comptroller shall cause the orders to be drawn

1 for the respective amounts in accordance with the directions
2 contained in such certification.

3 When certifying the amount of a monthly disbursement to the
4 Regional Transportation Authority or to a county under this
5 Section, the Department shall increase or decrease that amount
6 by an amount necessary to offset any misallocation of previous
7 disbursements. The offset amount shall be the amount
8 erroneously disbursed within the 6 months preceding the time a
9 misallocation is discovered.

10 The provisions directing the distributions from the
11 special fund in the State Treasury provided for in this Section
12 and from the Regional Transportation Authority tax fund created
13 by Section 4.03 of the Regional Transportation Authority Act
14 shall constitute an irrevocable and continuing appropriation
15 of all amounts as provided herein. The State Treasurer and
16 State Comptroller are hereby authorized to make distributions
17 as provided in this Section.

18 In construing any development, redevelopment, annexation,
19 preannexation or other lawful agreement in effect prior to
20 September 1, 1990, which describes or refers to receipts from a
21 county or municipal retailers' occupation tax, use tax or
22 service occupation tax which now cannot be imposed, such
23 description or reference shall be deemed to include the
24 replacement revenue for such abolished taxes, distributed from
25 the County and Mass Transit District Fund or Local Government
26 Distributive Fund, as the case may be.

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

2 Section 67. The Counties Code is amended by changing
3 Sections 5-1006, 5-1006.5, 5-1006.7, and 5-1007 as follows:

4 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

5 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
6 Law. Any county that is a home rule unit may impose a tax upon
7 all persons engaged in the business of selling tangible
8 personal property, other than an item of tangible personal
9 property titled or registered with an agency of this State's
10 government, at retail in the county on the gross receipts from
11 such sales made in the course of their business. If imposed,
12 this tax shall only be imposed in 1/4% increments. On and after
13 September 1, 1991, this additional tax may not be imposed on
14 the sales of food for human consumption which is to be consumed
15 off the premises where it is sold (other than alcoholic
16 beverages, soft drinks and food which has been prepared for
17 immediate consumption) and prescription and nonprescription
18 medicines, drugs, medical appliances and insulin, urine
19 testing materials, syringes and needles used by diabetics. The
20 tax imposed by a home rule county pursuant to this Section and
21 all civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The certificate of registration that is issued by the
24 Department to a retailer under the Retailers' Occupation Tax

1 Act shall permit the retailer to engage in a business that is
2 taxable under any ordinance or resolution enacted pursuant to
3 this Section without registering separately with the
4 Department under such ordinance or resolution or under this
5 Section. The Department shall have full power to administer and
6 enforce this Section; to collect all taxes and penalties due
7 hereunder; to dispose of taxes and penalties so collected in
8 the manner hereinafter provided; and to determine all rights to
9 credit memoranda arising on account of the erroneous payment of
10 tax or penalty hereunder. In the administration of, and
11 compliance with, this Section, the Department and persons who
12 are subject to this Section shall have the same rights,
13 remedies, privileges, immunities, powers and duties, and be
14 subject to the same conditions, restrictions, limitations,
15 penalties and definitions of terms, and employ the same modes
16 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
17 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
18 provisions therein other than the State rate of tax), 4, 5, 5a,
19 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
20 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
21 Section 3-7 of the Uniform Penalty and Interest Act, as fully
22 as if those provisions were set forth herein.

23 No tax may be imposed by a home rule county pursuant to
24 this Section unless the county also imposes a tax at the same
25 rate pursuant to Section 5-1007.

26 Persons subject to any tax imposed pursuant to the

1 authority granted in this Section may reimburse themselves for
2 their seller's tax liability hereunder by separately stating
3 such tax as an additional charge, which charge may be stated in
4 combination, in a single amount, with State tax which sellers
5 are required to collect under the Use Tax Act, pursuant to such
6 bracket schedules as the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this Section to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the order to be drawn for the
11 amount specified and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the home rule county retailers' occupation tax
14 fund.

15 The Department shall forthwith pay over to the State
16 Treasurer, ex officio, as trustee, all taxes and penalties
17 collected hereunder.

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the STAR Bonds
23 Financing Act, collected under this Section during the second
24 preceding calendar month for sales within a STAR bond district.

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on ~~or~~ or before the 25th day of each calendar month, the

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

23 In addition to the disbursement required by the preceding
24 paragraph, an allocation shall be made in March of each year to
25 each county that received more than \$500,000 in disbursements
26 under the preceding paragraph in the preceding calendar year.

1 The allocation shall be in an amount equal to the average
2 monthly distribution made to each such county under the
3 preceding paragraph during the preceding calendar year
4 (excluding the 2 months of highest receipts). The distribution
5 made in March of each year subsequent to the year in which an
6 allocation was made pursuant to this paragraph and the
7 preceding paragraph shall be reduced by the amount allocated
8 and disbursed under this paragraph in the preceding calendar
9 year. The Department shall prepare and certify to the
10 Comptroller for disbursement the allocations made in
11 accordance with this paragraph.

12 For the purpose of determining the local governmental unit
13 whose tax is applicable, a retail sale by a producer of coal or
14 other mineral mined in Illinois is a sale at retail at the
15 place where the coal or other mineral mined in Illinois is
16 extracted from the earth. This paragraph does not apply to coal
17 or other mineral when it is delivered or shipped by the seller
18 to the purchaser at a point outside Illinois so that the sale
19 is exempt under the United States Constitution as a sale in
20 interstate or foreign commerce.

21 Nothing in this Section shall be construed to authorize a
22 county to impose a tax upon the privilege of engaging in any
23 business which under the Constitution of the United States may
24 not be made the subject of taxation by this State.

25 An ordinance or resolution imposing or discontinuing a tax
26 hereunder or effecting a change in the rate thereof shall be

1 adopted and a certified copy thereof filed with the Department
2 on or before the first day of June, whereupon the Department
3 shall proceed to administer and enforce this Section as of the
4 first day of September next following such adoption and filing.
5 Beginning January 1, 1992, an ordinance or resolution imposing
6 or discontinuing the tax hereunder or effecting a change in the
7 rate thereof shall be adopted and a certified copy thereof
8 filed with the Department on or before the first day of July,
9 whereupon the Department shall proceed to administer and
10 enforce this Section as of the first day of October next
11 following such adoption and filing. Beginning January 1, 1993,
12 an ordinance or resolution imposing or discontinuing the tax
13 hereunder or effecting a change in the rate thereof shall be
14 adopted and a certified copy thereof filed with the Department
15 on or before the first day of October, whereupon the Department
16 shall proceed to administer and enforce this Section as of the
17 first day of January next following such adoption and filing.
18 Beginning April 1, 1998, an ordinance or resolution imposing or
19 discontinuing the tax hereunder or effecting a change in the
20 rate thereof shall either (i) be adopted and a certified copy
21 thereof filed with the Department on or before the first day of
22 April, whereupon the Department shall proceed to administer and
23 enforce this Section as of the first day of July next following
24 the adoption and filing; or (ii) be adopted and a certified
25 copy thereof filed with the Department on or before the first
26 day of October, whereupon the Department shall proceed to

1 administer and enforce this Section as of the first day of
2 January next following the adoption and filing.

3 When certifying the amount of a monthly disbursement to a
4 county under this Section, the Department shall increase or
5 decrease such amount by an amount necessary to offset any
6 misallocation of previous disbursements. The offset amount
7 shall be the amount erroneously disbursed within the previous 6
8 months from the time a misallocation is discovered.

9 This Section shall be known and may be cited as the Home
10 Rule County Retailers' Occupation Tax Law.

11 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

12 (55 ILCS 5/5-1006.5)

13 (Text of Section before amendment by P.A. 96-845)

14 Sec. 5-1006.5. Special County Retailers' Occupation Tax
15 For Public Safety, Public Facilities, or Transportation.

16 (a) The county board of any county may impose a tax upon
17 all persons engaged in the business of selling tangible
18 personal property, other than personal property titled or
19 registered with an agency of this State's government, at retail
20 in the county on the gross receipts from the sales made in the
21 course of business to provide revenue to be used exclusively
22 for public safety, public facility, or transportation purposes
23 in that county, if a proposition for the tax has been submitted
24 to the electors of that county and approved by a majority of
25 those voting on the question. If imposed, this tax shall be

1 imposed only in one-quarter percent increments. By resolution,
2 the county board may order the proposition to be submitted at
3 any election. If the tax is imposed for transportation purposes
4 for expenditures for public highways or as authorized under the
5 Illinois Highway Code, the county board must publish notice of
6 the existence of its long-range highway transportation plan as
7 required or described in Section 5-301 of the Illinois Highway
8 Code and must make the plan publicly available prior to
9 approval of the ordinance or resolution imposing the tax. If
10 the tax is imposed for transportation purposes for expenditures
11 for passenger rail transportation, the county board must
12 publish notice of the existence of its long-range passenger
13 rail transportation plan and must make the plan publicly
14 available prior to approval of the ordinance or resolution
15 imposing the tax.

16 If a tax is imposed for public facilities purposes, then
17 the name of the project may be included in the proposition at
18 the discretion of the county board as determined in the
19 enabling resolution. For example, the "XXX Nursing Home" or the
20 "YYY Museum".

21 The county clerk shall certify the question to the proper
22 election authority, who shall submit the proposition at an
23 election in accordance with the general election law.

24 (1) The proposition for public safety purposes shall be
25 in substantially the following form:

26 "To pay for public safety purposes, shall (name of

1 county) be authorized to impose an increase on its share of
2 local sales taxes by (insert rate)?"

3 As additional information on the ballot below the
4 question shall appear the following:

5 "This would mean that a consumer would pay an
6 additional (insert amount) in sales tax for every \$100 of
7 tangible personal property bought at retail."

8 The county board may also opt to establish a sunset
9 provision at which time the additional sales tax would
10 cease being collected, if not terminated earlier by a vote
11 of the county board. If the county board votes to include a
12 sunset provision, the proposition for public safety
13 purposes shall be in substantially the following form:

14 "To pay for public safety purposes, shall (name of
15 county) be authorized to impose an increase on its share of
16 local sales taxes by (insert rate) for a period not to
17 exceed (insert number of years)?"

18 As additional information on the ballot below the
19 question shall appear the following:

20 "This would mean that a consumer would pay an
21 additional (insert amount) in sales tax for every \$100 of
22 tangible personal property bought at retail. If imposed,
23 the additional tax would cease being collected at the end
24 of (insert number of years), if not terminated earlier by a
25 vote of the county board."

26 For the purposes of the paragraph, "public safety

1 purposes" means crime prevention, detention, fire
2 fighting, police, medical, ambulance, or other emergency
3 services.

4 Votes shall be recorded as "Yes" or "No".

5 (2) The proposition for transportation purposes shall
6 be in substantially the following form:

7 "To pay for improvements to roads and other
8 transportation purposes, shall (name of county) be
9 authorized to impose an increase on its share of local
10 sales taxes by (insert rate)?"

11 As additional information on the ballot below the
12 question shall appear the following:

13 "This would mean that a consumer would pay an
14 additional (insert amount) in sales tax for every \$100 of
15 tangible personal property bought at retail."

16 The county board may also opt to establish a sunset
17 provision at which time the additional sales tax would
18 cease being collected, if not terminated earlier by a vote
19 of the county board. If the county board votes to include a
20 sunset provision, the proposition for transportation
21 purposes shall be in substantially the following form:

22 "To pay for road improvements and other transportation
23 purposes, shall (name of county) be authorized to impose an
24 increase on its share of local sales taxes by (insert rate)
25 for a period not to exceed (insert number of years)?"

26 As additional information on the ballot below the

1 question shall appear the following:

2 "This would mean that a consumer would pay an
3 additional (insert amount) in sales tax for every \$100 of
4 tangible personal property bought at retail. If imposed,
5 the additional tax would cease being collected at the end
6 of (insert number of years), if not terminated earlier by a
7 vote of the county board."

8 For the purposes of this paragraph, transportation
9 purposes means construction, maintenance, operation, and
10 improvement of public highways, any other purpose for which
11 a county may expend funds under the Illinois Highway Code,
12 and passenger rail transportation.

13 The votes shall be recorded as "Yes" or "No".

14 (3) The proposition for public facilities purposes
15 shall be in substantially the following form:

16 "To pay for public facilities purposes, shall (name of
17 county) be authorized to impose an increase on its share of
18 local sales taxes by (insert rate)?"

19 As additional information on the ballot below the
20 question shall appear the following:

21 "This would mean that a consumer would pay an
22 additional (insert amount) in sales tax for every \$100 of
23 tangible personal property bought at retail."

24 The county board may also opt to establish a sunset
25 provision at which time the additional sales tax would
26 cease being collected, if not terminated earlier by a vote

1 of the county board. If the county board votes to include a
2 sunset provision, the proposition for public facilities
3 purposes shall be in substantially the following form:

4 "To pay for public facilities purposes, shall (name of
5 county) be authorized to impose an increase on its share of
6 local sales taxes by (insert rate) for a period not to
7 exceed (insert number of years)?"

8 As additional information on the ballot below the
9 question shall appear the following:

10 "This would mean that a consumer would pay an
11 additional (insert amount) in sales tax for every \$100 of
12 tangible personal property bought at retail. If imposed,
13 the additional tax would cease being collected at the end
14 of (insert number of years), if not terminated earlier by a
15 vote of the county board."

16 For purposes of this Section, "public facilities
17 purposes" means the acquisition, development,
18 construction, reconstruction, rehabilitation, improvement,
19 financing, architectural planning, and installation of
20 capital facilities consisting of buildings, structures,
21 and durable equipment and for the acquisition and
22 improvement of real property and interest in real property
23 required, or expected to be required, in connection with
24 the public facilities, for use by the county for the
25 furnishing of governmental services to its citizens,
26 including but not limited to museums and nursing homes.

1 The votes shall be recorded as "Yes" or "No".

2 If a majority of the electors voting on the proposition
3 vote in favor of it, the county may impose the tax. A county
4 may not submit more than one proposition authorized by this
5 Section to the electors at any one time.

6 This additional tax may not be imposed on the sales of food
7 for human consumption that is to be consumed off the premises
8 where it is sold (other than alcoholic beverages, soft drinks,
9 and food which has been prepared for immediate consumption) and
10 prescription and non-prescription medicines, drugs, medical
11 appliances and insulin, urine testing materials, syringes, and
12 needles used by diabetics. The tax imposed by a county under
13 this Section and all civil penalties that may be assessed as an
14 incident of the tax shall be collected and enforced by the
15 Illinois Department of Revenue and deposited into a special
16 fund created for that purpose. The certificate of registration
17 that is issued by the Department to a retailer under the
18 Retailers' Occupation Tax Act shall permit the retailer to
19 engage in a business that is taxable without registering
20 separately with the Department under an ordinance or resolution
21 under this Section. The Department has full power to administer
22 and enforce this Section, to collect all taxes and penalties
23 due under this Section, to dispose of taxes and penalties so
24 collected in the manner provided in this Section, and to
25 determine all rights to credit memoranda arising on account of
26 the erroneous payment of a tax or penalty under this Section.

1 In the administration of and compliance with this Section, the
2 Department and persons who are subject to this Section shall
3 (i) have the same rights, remedies, privileges, immunities,
4 powers, and duties, (ii) be subject to the same conditions,
5 restrictions, limitations, penalties, and definitions of
6 terms, and (iii) employ the same modes of procedure as are
7 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
8 1n, 2 through 2-70 (in respect to all provisions contained in
9 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
10 (except provisions relating to transaction returns and quarter
11 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
12 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
13 the Retailers' Occupation Tax Act and Section 3-7 of the
14 Uniform Penalty and Interest Act as if those provisions were
15 set forth in this Section.

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

23 Whenever the Department determines that a refund should be
24 made under this Section to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the County Public Safety or Transportation
4 Retailers' Occupation Tax Fund.

5 (b) If a tax has been imposed under subsection (a), a
6 service occupation tax shall also be imposed at the same rate
7 upon all persons engaged, in the county, in the business of
8 making sales of service, who, as an incident to making those
9 sales of service, transfer tangible personal property within
10 the county as an incident to a sale of service. This tax may
11 not be imposed on sales of food for human consumption that is
12 to be consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food prepared for
14 immediate consumption) and prescription and non-prescription
15 medicines, drugs, medical appliances and insulin, urine
16 testing materials, syringes, and needles used by diabetics. The
17 tax imposed under this subsection and all civil penalties that
18 may be assessed as an incident thereof shall be collected and
19 enforced by the Department of Revenue. The Department has full
20 power to administer and enforce this subsection; to collect all
21 taxes and penalties due hereunder; to dispose of taxes and
22 penalties so collected in the manner hereinafter provided; and
23 to determine all rights to credit memoranda arising on account
24 of the erroneous payment of tax or penalty hereunder. In the
25 administration of, and compliance with this subsection, the
26 Department and persons who are subject to this paragraph shall

1 (i) have the same rights, remedies, privileges, immunities,
2 powers, and duties, (ii) be subject to the same conditions,
3 restrictions, limitations, penalties, exclusions, exemptions,
4 and definitions of terms, and (iii) employ the same modes of
5 procedure as are prescribed in Sections 2 (except that the
6 reference to State in the definition of supplier maintaining a
7 place of business in this State shall mean the county), 2a, 2b,
8 2c, 3 through 3-50 (in respect to all provisions therein other
9 than the State rate of tax), 4 (except that the reference to
10 the State shall be to the county), 5, 7, 8 (except that the
11 jurisdiction to which the tax shall be a debt to the extent
12 indicated in that Section 8 shall be the county), 9 (except as
13 to the disposition of taxes and penalties collected), 10, 11,
14 12 (except the reference therein to Section 2b of the
15 Retailers' Occupation Tax Act), 13 (except that any reference
16 to the State shall mean the county), Section 15, 16, 17, 18, 19
17 and 20 of the Service Occupation Tax Act and Section 3-7 of the
18 Uniform Penalty and Interest Act, as fully as if those
19 provisions were set forth herein.

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

1 prescribe.

2 Whenever the Department determines that a refund should be
3 made under this subsection to a claimant instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the warrant to be drawn for the
6 amount specified, and to the person named, in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the County Public Safety or Transportation
9 Retailers' Occupation Fund.

10 Nothing in this subsection shall be construed to authorize
11 the county to impose a tax upon the privilege of engaging in
12 any business which under the Constitution of the United States
13 may not be made the subject of taxation by the State.

14 (c) The Department shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected under this Section to be deposited into the County
17 Public Safety or Transportation Retailers' Occupation Tax
18 Fund, which shall be an unappropriated trust fund held outside
19 of the State treasury.

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the STAR Bonds
25 Financing Act, collected under this Section during the second
26 preceding calendar month for sales within a STAR bond district.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on ~~On~~ or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to the counties from which
5 retailers have paid taxes or penalties to the Department during
6 the second preceding calendar month. The amount to be paid to
7 each county, and deposited by the county into its special fund
8 created for the purposes of this Section, shall be the amount
9 (not including credit memoranda) collected under this Section
10 during the second preceding calendar month by the Department
11 plus an amount the Department determines is necessary to offset
12 any amounts that were erroneously paid to a different taxing
13 body, and not including (i) an amount equal to the amount of
14 refunds made during the second preceding calendar month by the
15 Department on behalf of the county, ~~and~~ (ii) any amount that
16 the Department determines is necessary to offset any amounts
17 that were payable to a different taxing body but were
18 erroneously paid to the county, and (iii) any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the disbursement
21 certification to the counties provided for in this Section to
22 be given to the Comptroller by the Department, the Comptroller
23 shall cause the orders to be drawn for the respective amounts
24 in accordance with directions contained in the certification.

25 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in March of each year to

1 each county that received more than \$500,000 in disbursements
2 under the preceding paragraph in the preceding calendar year.
3 The allocation shall be in an amount equal to the average
4 monthly distribution made to each such county under the
5 preceding paragraph during the preceding calendar year
6 (excluding the 2 months of highest receipts). The distribution
7 made in March of each year subsequent to the year in which an
8 allocation was made pursuant to this paragraph and the
9 preceding paragraph shall be reduced by the amount allocated
10 and disbursed under this paragraph in the preceding calendar
11 year. The Department shall prepare and certify to the
12 Comptroller for disbursement the allocations made in
13 accordance with this paragraph.

14 (d) For the purpose of determining the local governmental
15 unit whose tax is applicable, a retail sale by a producer of
16 coal or another mineral mined in Illinois is a sale at retail
17 at the place where the coal or other mineral mined in Illinois
18 is extracted from the earth. This paragraph does not apply to
19 coal or another mineral when it is delivered or shipped by the
20 seller to the purchaser at a point outside Illinois so that the
21 sale is exempt under the United States Constitution as a sale
22 in interstate or foreign commerce.

23 (e) Nothing in this Section shall be construed to authorize
24 a county to impose a tax upon the privilege of engaging in any
25 business that under the Constitution of the United States may
26 not be made the subject of taxation by this State.

1 (e-5) If a county imposes a tax under this Section, the
2 county board may, by ordinance, discontinue or lower the rate
3 of the tax. If the county board lowers the tax rate or
4 discontinues the tax, a referendum must be held in accordance
5 with subsection (a) of this Section in order to increase the
6 rate of the tax or to reimpose the discontinued tax.

7 (f) Beginning April 1, 1998, the results of any election
8 authorizing a proposition to impose a tax under this Section or
9 effecting a change in the rate of tax, or any ordinance
10 lowering the rate or discontinuing the tax, shall be certified
11 by the county clerk and filed with the Illinois Department of
12 Revenue either (i) on or before the first day of April,
13 whereupon the Department shall proceed to administer and
14 enforce the tax as of the first day of July next following the
15 filing; or (ii) on or before the first day of October,
16 whereupon the Department shall proceed to administer and
17 enforce the tax as of the first day of January next following
18 the filing.

19 (g) When certifying the amount of a monthly disbursement to
20 a county under this Section, the Department shall increase or
21 decrease the amounts by an amount necessary to offset any
22 miscalculation of previous disbursements. The offset amount
23 shall be the amount erroneously disbursed within the previous 6
24 months from the time a miscalculation is discovered.

25 (h) This Section may be cited as the "Special County
26 Occupation Tax For Public Safety, Public Facilities, or

1 Transportation Law".

2 (i) For purposes of this Section, "public safety" includes,
3 but is not limited to, crime prevention, detention, fire
4 fighting, police, medical, ambulance, or other emergency
5 services. The county may share tax proceeds received under this
6 Section for public safety purposes, including proceeds
7 received before August 4, 2009 (the effective date of Public
8 Act 96-124) ~~this amendatory Act of the 96th General Assembly~~,
9 with any fire protection district located in the county. For
10 the purposes of this Section, "transportation" includes, but is
11 not limited to, the construction, maintenance, operation, and
12 improvement of public highways, any other purpose for which a
13 county may expend funds under the Illinois Highway Code, and
14 passenger rail transportation. For the purposes of this
15 Section, "public facilities purposes" includes, but is not
16 limited to, the acquisition, development, construction,
17 reconstruction, rehabilitation, improvement, financing,
18 architectural planning, and installation of capital facilities
19 consisting of buildings, structures, and durable equipment and
20 for the acquisition and improvement of real property and
21 interest in real property required, or expected to be required,
22 in connection with the public facilities, for use by the county
23 for the furnishing of governmental services to its citizens,
24 including but not limited to museums and nursing homes.

25 (j) The Department may promulgate rules to implement Public
26 Act 95-1002 ~~this amendatory Act of the 95th General Assembly~~

1 only to the extent necessary to apply the existing rules for
2 the Special County Retailers' Occupation Tax for Public Safety
3 to this new purpose for public facilities.

4 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
5 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; revised 11-3-09.)

6 (Text of Section after amendment by P.A. 96-845)

7 Sec. 5-1006.5. Special County Retailers' Occupation Tax
8 For Public Safety, Public Facilities, or Transportation.

9 (a) The county board of any county may impose a tax upon
10 all persons engaged in the business of selling tangible
11 personal property, other than personal property titled or
12 registered with an agency of this State's government, at retail
13 in the county on the gross receipts from the sales made in the
14 course of business to provide revenue to be used exclusively
15 for public safety, public facility, or transportation purposes
16 in that county, if a proposition for the tax has been submitted
17 to the electors of that county and approved by a majority of
18 those voting on the question. If imposed, this tax shall be
19 imposed only in one-quarter percent increments. By resolution,
20 the county board may order the proposition to be submitted at
21 any election. If the tax is imposed for transportation purposes
22 for expenditures for public highways or as authorized under the
23 Illinois Highway Code, the county board must publish notice of
24 the existence of its long-range highway transportation plan as
25 required or described in Section 5-301 of the Illinois Highway

1 Code and must make the plan publicly available prior to
2 approval of the ordinance or resolution imposing the tax. If
3 the tax is imposed for transportation purposes for expenditures
4 for passenger rail transportation, the county board must
5 publish notice of the existence of its long-range passenger
6 rail transportation plan and must make the plan publicly
7 available prior to approval of the ordinance or resolution
8 imposing the tax.

9 If a tax is imposed for public facilities purposes, then
10 the name of the project may be included in the proposition at
11 the discretion of the county board as determined in the
12 enabling resolution. For example, the "XXX Nursing Home" or the
13 "YYY Museum".

14 The county clerk shall certify the question to the proper
15 election authority, who shall submit the proposition at an
16 election in accordance with the general election law.

17 (1) The proposition for public safety purposes shall be
18 in substantially the following form:

19 "To pay for public safety purposes, shall (name of
20 county) be authorized to impose an increase on its share of
21 local sales taxes by (insert rate)?"

22 As additional information on the ballot below the
23 question shall appear the following:

24 "This would mean that a consumer would pay an
25 additional (insert amount) in sales tax for every \$100 of
26 tangible personal property bought at retail."

1 The county board may also opt to establish a sunset
2 provision at which time the additional sales tax would
3 cease being collected, if not terminated earlier by a vote
4 of the county board. If the county board votes to include a
5 sunset provision, the proposition for public safety
6 purposes shall be in substantially the following form:

7 "To pay for public safety purposes, shall (name of
8 county) be authorized to impose an increase on its share of
9 local sales taxes by (insert rate) for a period not to
10 exceed (insert number of years)?"

11 As additional information on the ballot below the
12 question shall appear the following:

13 "This would mean that a consumer would pay an
14 additional (insert amount) in sales tax for every \$100 of
15 tangible personal property bought at retail. If imposed,
16 the additional tax would cease being collected at the end
17 of (insert number of years), if not terminated earlier by a
18 vote of the county board."

19 For the purposes of the paragraph, "public safety
20 purposes" means crime prevention, detention, fire
21 fighting, police, medical, ambulance, or other emergency
22 services.

23 Votes shall be recorded as "Yes" or "No".

24 (2) The proposition for transportation purposes shall
25 be in substantially the following form:

26 "To pay for improvements to roads and other

1 transportation purposes, shall (name of county) be
2 authorized to impose an increase on its share of local
3 sales taxes by (insert rate)?"

4 As additional information on the ballot below the
5 question shall appear the following:

6 "This would mean that a consumer would pay an
7 additional (insert amount) in sales tax for every \$100 of
8 tangible personal property bought at retail."

9 The county board may also opt to establish a sunset
10 provision at which time the additional sales tax would
11 cease being collected, if not terminated earlier by a vote
12 of the county board. If the county board votes to include a
13 sunset provision, the proposition for transportation
14 purposes shall be in substantially the following form:

15 "To pay for road improvements and other transportation
16 purposes, shall (name of county) be authorized to impose an
17 increase on its share of local sales taxes by (insert rate)
18 for a period not to exceed (insert number of years)?"

19 As additional information on the ballot below the
20 question shall appear the following:

21 "This would mean that a consumer would pay an
22 additional (insert amount) in sales tax for every \$100 of
23 tangible personal property bought at retail. If imposed,
24 the additional tax would cease being collected at the end
25 of (insert number of years), if not terminated earlier by a
26 vote of the county board."

1 For the purposes of this paragraph, transportation
2 purposes means construction, maintenance, operation, and
3 improvement of public highways, any other purpose for which
4 a county may expend funds under the Illinois Highway Code,
5 and passenger rail transportation.

6 The votes shall be recorded as "Yes" or "No".

7 (3) The proposition for public facilities purposes
8 shall be in substantially the following form:

9 "To pay for public facilities purposes, shall (name of
10 county) be authorized to impose an increase on its share of
11 local sales taxes by (insert rate)?"

12 As additional information on the ballot below the
13 question shall appear the following:

14 "This would mean that a consumer would pay an
15 additional (insert amount) in sales tax for every \$100 of
16 tangible personal property bought at retail."

17 The county board may also opt to establish a sunset
18 provision at which time the additional sales tax would
19 cease being collected, if not terminated earlier by a vote
20 of the county board. If the county board votes to include a
21 sunset provision, the proposition for public facilities
22 purposes shall be in substantially the following form:

23 "To pay for public facilities purposes, shall (name of
24 county) be authorized to impose an increase on its share of
25 local sales taxes by (insert rate) for a period not to
26 exceed (insert number of years)?"

1 As additional information on the ballot below the
2 question shall appear the following:

3 "This would mean that a consumer would pay an
4 additional (insert amount) in sales tax for every \$100 of
5 tangible personal property bought at retail. If imposed,
6 the additional tax would cease being collected at the end
7 of (insert number of years), if not terminated earlier by a
8 vote of the county board."

9 For purposes of this Section, "public facilities
10 purposes" means the acquisition, development,
11 construction, reconstruction, rehabilitation, improvement,
12 financing, architectural planning, and installation of
13 capital facilities consisting of buildings, structures,
14 and durable equipment and for the acquisition and
15 improvement of real property and interest in real property
16 required, or expected to be required, in connection with
17 the public facilities, for use by the county for the
18 furnishing of governmental services to its citizens,
19 including but not limited to museums and nursing homes.

20 The votes shall be recorded as "Yes" or "No".

21 If a majority of the electors voting on the proposition
22 vote in favor of it, the county may impose the tax. A county
23 may not submit more than one proposition authorized by this
24 Section to the electors at any one time.

25 This additional tax may not be imposed on the sales of food
26 for human consumption that is to be consumed off the premises

1 where it is sold (other than alcoholic beverages, soft drinks,
2 and food which has been prepared for immediate consumption) and
3 prescription and non-prescription medicines, drugs, medical
4 appliances and insulin, urine testing materials, syringes, and
5 needles used by diabetics. The tax imposed by a county under
6 this Section and all civil penalties that may be assessed as an
7 incident of the tax shall be collected and enforced by the
8 Illinois Department of Revenue and deposited into a special
9 fund created for that purpose. The certificate of registration
10 that is issued by the Department to a retailer under the
11 Retailers' Occupation Tax Act shall permit the retailer to
12 engage in a business that is taxable without registering
13 separately with the Department under an ordinance or resolution
14 under this Section. The Department has full power to administer
15 and enforce this Section, to collect all taxes and penalties
16 due under this Section, to dispose of taxes and penalties so
17 collected in the manner provided in this Section, and to
18 determine all rights to credit memoranda arising on account of
19 the erroneous payment of a tax or penalty under this Section.
20 In the administration of and compliance with this Section, the
21 Department and persons who are subject to this Section shall
22 (i) have the same rights, remedies, privileges, immunities,
23 powers, and duties, (ii) be subject to the same conditions,
24 restrictions, limitations, penalties, and definitions of
25 terms, and (iii) employ the same modes of procedure as are
26 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,

1 1n, 2 through 2-70 (in respect to all provisions contained in
2 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
3 (except provisions relating to transaction returns and quarter
4 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
5 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
6 the Retailers' Occupation Tax Act and Section 3-7 of the
7 Uniform Penalty and Interest Act as if those provisions were
8 set forth in this Section.

9 Persons subject to any tax imposed under the authority
10 granted in this Section may reimburse themselves for their
11 sellers' tax liability by separately stating the tax as an
12 additional charge, which charge may be stated in combination,
13 in a single amount, with State tax which sellers are required
14 to collect under the Use Tax Act, pursuant to such bracketed
15 schedules as the Department may prescribe.

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the order to be drawn for the
20 amount specified and to the person named in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the County Public Safety or Transportation
23 Retailers' Occupation Tax Fund.

24 (b) If a tax has been imposed under subsection (a), a
25 service occupation tax shall also be imposed at the same rate
26 upon all persons engaged, in the county, in the business of

1 making sales of service, who, as an incident to making those
2 sales of service, transfer tangible personal property within
3 the county as an incident to a sale of service. This tax may
4 not be imposed on sales of food for human consumption that is
5 to be consumed off the premises where it is sold (other than
6 alcoholic beverages, soft drinks, and food prepared for
7 immediate consumption) and prescription and non-prescription
8 medicines, drugs, medical appliances and insulin, urine
9 testing materials, syringes, and needles used by diabetics. The
10 tax imposed under this subsection and all civil penalties that
11 may be assessed as an incident thereof shall be collected and
12 enforced by the Department of Revenue. The Department has full
13 power to administer and enforce this subsection; to collect all
14 taxes and penalties due hereunder; to dispose of taxes and
15 penalties so collected in the manner hereinafter provided; and
16 to determine all rights to credit memoranda arising on account
17 of the erroneous payment of tax or penalty hereunder. In the
18 administration of, and compliance with this subsection, the
19 Department and persons who are subject to this paragraph shall
20 (i) have the same rights, remedies, privileges, immunities,
21 powers, and duties, (ii) be subject to the same conditions,
22 restrictions, limitations, penalties, exclusions, exemptions,
23 and definitions of terms, and (iii) employ the same modes of
24 procedure as are prescribed in Sections 2 (except that the
25 reference to State in the definition of supplier maintaining a
26 place of business in this State shall mean the county), 2a, 2b,

1 2c, 3 through 3-50 (in respect to all provisions therein other
2 than the State rate of tax), 4 (except that the reference to
3 the State shall be to the county), 5, 7, 8 (except that the
4 jurisdiction to which the tax shall be a debt to the extent
5 indicated in that Section 8 shall be the county), 9 (except as
6 to the disposition of taxes and penalties collected), 10, 11,
7 12 (except the reference therein to Section 2b of the
8 Retailers' Occupation Tax Act), 13 (except that any reference
9 to the State shall mean the county), Section 15, 16, 17, 18, 19
10 and 20 of the Service Occupation Tax Act and Section 3-7 of the
11 Uniform Penalty and Interest Act, as fully as if those
12 provisions were set forth herein.

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

21 Whenever the Department determines that a refund should be
22 made under this subsection to a claimant instead of issuing a
23 credit memorandum, the Department shall notify the State
24 Comptroller, who shall cause the warrant to be drawn for the
25 amount specified, and to the person named, in the notification
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the County Public Safety or Transportation
2 Retailers' Occupation Fund.

3 Nothing in this subsection shall be construed to authorize
4 the county to impose a tax upon the privilege of engaging in
5 any business which under the Constitution of the United States
6 may not be made the subject of taxation by the State.

7 (c) The Department shall immediately pay over to the State
8 Treasurer, ex officio, as trustee, all taxes and penalties
9 collected under this Section to be deposited into the County
10 Public Safety or Transportation Retailers' Occupation Tax
11 Fund, which shall be an unappropriated trust fund held outside
12 of the State treasury.

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the STAR Bonds
18 Financing Act, collected under this Section during the second
19 preceding calendar month for sales within a STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on ~~on~~ or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to the counties from which
24 retailers have paid taxes or penalties to the Department during
25 the second preceding calendar month. The amount to be paid to
26 each county, and deposited by the county into its special fund

1 created for the purposes of this Section, shall be the amount
2 (not including credit memoranda) collected under this Section
3 during the second preceding calendar month by the Department
4 plus an amount the Department determines is necessary to offset
5 any amounts that were erroneously paid to a different taxing
6 body, and not including (i) an amount equal to the amount of
7 refunds made during the second preceding calendar month by the
8 Department on behalf of the county, ~~and~~ (ii) any amount that
9 the Department determines is necessary to offset any amounts
10 that were payable to a different taxing body but were
11 erroneously paid to the county, and (iii) any amounts that are
12 transferred to the STAR Bonds Revenue Fund. Within 10 days
13 after receipt by the Comptroller of the disbursement
14 certification to the counties provided for in this Section to
15 be given to the Comptroller by the Department, the Comptroller
16 shall cause the orders to be drawn for the respective amounts
17 in accordance with directions contained in the certification.

18 In addition to the disbursement required by the preceding
19 paragraph, an allocation shall be made in March of each year to
20 each county that received more than \$500,000 in disbursements
21 under the preceding paragraph in the preceding calendar year.
22 The allocation shall be in an amount equal to the average
23 monthly distribution made to each such county under the
24 preceding paragraph during the preceding calendar year
25 (excluding the 2 months of highest receipts). The distribution
26 made in March of each year subsequent to the year in which an

1 allocation was made pursuant to this paragraph and the
2 preceding paragraph shall be reduced by the amount allocated
3 and disbursed under this paragraph in the preceding calendar
4 year. The Department shall prepare and certify to the
5 Comptroller for disbursement the allocations made in
6 accordance with this paragraph.

7 A county may direct, by ordinance, that all or a portion of
8 the taxes and penalties collected under the Special County
9 Retailers' Occupation Tax For Public Safety or Transportation
10 be deposited into the Transportation Development Partnership
11 Trust Fund.

12 (d) For the purpose of determining the local governmental
13 unit whose tax is applicable, a retail sale by a producer of
14 coal or another mineral mined in Illinois is a sale at retail
15 at the place where the coal or other mineral mined in Illinois
16 is extracted from the earth. This paragraph does not apply to
17 coal or another mineral when it is delivered or shipped by the
18 seller to the purchaser at a point outside Illinois so that the
19 sale is exempt under the United States Constitution as a sale
20 in interstate or foreign commerce.

21 (e) Nothing in this Section shall be construed to authorize
22 a county to impose a tax upon the privilege of engaging in any
23 business that under the Constitution of the United States may
24 not be made the subject of taxation by this State.

25 (e-5) If a county imposes a tax under this Section, the
26 county board may, by ordinance, discontinue or lower the rate

1 of the tax. If the county board lowers the tax rate or
2 discontinues the tax, a referendum must be held in accordance
3 with subsection (a) of this Section in order to increase the
4 rate of the tax or to reimpose the discontinued tax.

5 (f) Beginning April 1, 1998, the results of any election
6 authorizing a proposition to impose a tax under this Section or
7 effecting a change in the rate of tax, or any ordinance
8 lowering the rate or discontinuing the tax, shall be certified
9 by the county clerk and filed with the Illinois Department of
10 Revenue either (i) on or before the first day of April,
11 whereupon the Department shall proceed to administer and
12 enforce the tax as of the first day of July next following the
13 filing; or (ii) on or before the first day of October,
14 whereupon the Department shall proceed to administer and
15 enforce the tax as of the first day of January next following
16 the filing.

17 (g) When certifying the amount of a monthly disbursement to
18 a county under this Section, the Department shall increase or
19 decrease the amounts by an amount necessary to offset any
20 miscalculation of previous disbursements. The offset amount
21 shall be the amount erroneously disbursed within the previous 6
22 months from the time a miscalculation is discovered.

23 (h) This Section may be cited as the "Special County
24 Occupation Tax For Public Safety, Public Facilities, or
25 Transportation Law".

26 (i) For purposes of this Section, "public safety" includes,

1 but is not limited to, crime prevention, detention, fire
2 fighting, police, medical, ambulance, or other emergency
3 services. The county may share tax proceeds received under this
4 Section for public safety purposes, including proceeds
5 received before August 4, 2009 (the effective date of Public
6 Act 96-124) ~~this amendatory Act of the 96th General Assembly,~~
7 with any fire protection district located in the county. For
8 the purposes of this Section, "transportation" includes, but is
9 not limited to, the construction, maintenance, operation, and
10 improvement of public highways, any other purpose for which a
11 county may expend funds under the Illinois Highway Code, and
12 passenger rail transportation. For the purposes of this
13 Section, "public facilities purposes" includes, but is not
14 limited to, the acquisition, development, construction,
15 reconstruction, rehabilitation, improvement, financing,
16 architectural planning, and installation of capital facilities
17 consisting of buildings, structures, and durable equipment and
18 for the acquisition and improvement of real property and
19 interest in real property required, or expected to be required,
20 in connection with the public facilities, for use by the county
21 for the furnishing of governmental services to its citizens,
22 including but not limited to museums and nursing homes.

23 (j) The Department may promulgate rules to implement Public
24 Act 95-1002 ~~this amendatory Act of the 95th General Assembly~~
25 only to the extent necessary to apply the existing rules for
26 the Special County Retailers' Occupation Tax for Public Safety

1 to this new purpose for public facilities.

2 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
3 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-845, eff. 7-1-12;
4 revised 12-30-09.)

5 (55 ILCS 5/5-1006.7)

6 Sec. 5-1006.7. School facility occupation taxes.

7 (a) The county board of any county may impose a tax upon
8 all persons engaged in the business of selling tangible
9 personal property, other than personal property titled or
10 registered with an agency of this State's government, at retail
11 in the county on the gross receipts from the sales made in the
12 course of business to provide revenue to be used exclusively
13 for school facility purposes if a proposition for the tax has
14 been submitted to the electors of that county and approved by a
15 majority of those voting on the question as provided in
16 subsection (c). The tax under this Section may be imposed only
17 in one-quarter percent increments and may not exceed 1%.

18 This additional tax may not be imposed on the sale of food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, soft drinks,
21 and food that has been prepared for immediate consumption) and
22 prescription and non-prescription medicines, drugs, medical
23 appliances and insulin, urine testing materials, syringes and
24 needles used by diabetics. The Department of Revenue has full
25 power to administer and enforce this subsection, to collect all

1 taxes and penalties due under this subsection, to dispose of
2 taxes and penalties so collected in the manner provided in this
3 subsection, and to determine all rights to credit memoranda
4 arising on account of the erroneous payment of a tax or penalty
5 under this subsection. The Department shall deposit all taxes
6 and penalties collected under this subsection into a special
7 fund created for that purpose.

8 In the administration of and compliance with this
9 subsection, the Department and persons who are subject to this
10 subsection (i) have the same rights, remedies, privileges,
11 immunities, powers, and duties, (ii) are subject to the same
12 conditions, restrictions, limitations, penalties, and
13 definitions of terms, and (iii) shall employ the same modes of
14 procedure as are set forth in Sections 1 through 1o, 2 through
15 2-70 (in respect to all provisions contained in those Sections
16 other than the State rate of tax), 2a through 2h, 3 (except as
17 to the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
19 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
20 and all provisions of the Uniform Penalty and Interest Act as
21 if those provisions were set forth in this subsection.

22 The certificate of registration that is issued by the
23 Department to a retailer under the Retailers' Occupation Tax
24 Act permits the retailer to engage in a business that is
25 taxable without registering separately with the Department
26 under an ordinance or resolution under this subsection.

1 Persons subject to any tax imposed under the authority
2 granted in this subsection may reimburse themselves for their
3 seller's tax liability by separately stating that tax as an
4 additional charge, which may be stated in combination, in a
5 single amount, with State tax that sellers are required to
6 collect under the Use Tax Act, pursuant to any bracketed
7 schedules set forth by the Department.

8 (b) If a tax has been imposed under subsection (a), then a
9 service occupation tax must also be imposed at the same rate
10 upon all persons engaged, in the county, in the business of
11 making sales of service, who, as an incident to making those
12 sales of service, transfer tangible personal property within
13 the county as an incident to a sale of service.

14 This tax may not be imposed on sales of food for human
15 consumption that is to be consumed off the premises where it is
16 sold (other than alcoholic beverages, soft drinks, and food
17 prepared for immediate consumption) and prescription and
18 non-prescription medicines, drugs, medical appliances and
19 insulin, urine testing materials, syringes, and needles used by
20 diabetics.

21 The tax imposed under this subsection and all civil
22 penalties that may be assessed as an incident thereof shall be
23 collected and enforced by the Department and deposited into a
24 special fund created for that purpose. The Department has full
25 power to administer and enforce this subsection, to collect all
26 taxes and penalties due under this subsection, to dispose of

1 taxes and penalties so collected in the manner provided in this
2 subsection, and to determine all rights to credit memoranda
3 arising on account of the erroneous payment of a tax or penalty
4 under this subsection.

5 In the administration of and compliance with this
6 subsection, the Department and persons who are subject to this
7 subsection shall (i) have the same rights, remedies,
8 privileges, immunities, powers and duties, (ii) be subject to
9 the same conditions, restrictions, limitations, penalties and
10 definition of terms, and (iii) employ the same modes of
11 procedure as are set forth in Sections 2 (except that that
12 reference to State in the definition of supplier maintaining a
13 place of business in this State means the county), 2a through
14 2d, 3 through 3-50 (in respect to all provisions contained in
15 those Sections other than the State rate of tax), 4 (except
16 that the reference to the State shall be to the county), 5, 7,
17 8 (except that the jurisdiction to which the tax is a debt to
18 the extent indicated in that Section 8 is the county), 9
19 (except as to the disposition of taxes and penalties
20 collected), 10, 11, 12 (except the reference therein to Section
21 2b of the Retailers' Occupation Tax Act), 13 (except that any
22 reference to the State means the county), Section 15, 16, 17,
23 18, 19, and 20 of the Service Occupation Tax Act and all
24 provisions of the Uniform Penalty and Interest Act, as fully as
25 if those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this subsection may reimburse themselves for their
2 serviceman's tax liability by separately stating the tax as an
3 additional charge, which may be stated in combination, in a
4 single amount, with State tax that servicemen are authorized to
5 collect under the Service Use Tax Act, pursuant to any
6 bracketed schedules set forth by the Department.

7 (c) The tax under this Section may not be imposed until, by
8 ordinance or resolution of the county board, the question of
9 imposing the tax has been submitted to the electors of the
10 county at a regular election and approved by a majority of the
11 electors voting on the question. Upon a resolution by the
12 county board or a resolution by school district boards that
13 represent at least 51% of the student enrollment within the
14 county, the county board must certify the question to the
15 proper election authority in accordance with the Election Code.

16 The election authority must submit the question in
17 substantially the following form:

18 Shall (name of county) be authorized to impose a
19 retailers' occupation tax and a service occupation tax
20 (commonly referred to as a "sales tax") at a rate of
21 (insert rate) to be used exclusively for school facility
22 purposes?

23 The election authority must record the votes as "Yes" or "No".

24 If a majority of the electors voting on the question vote
25 in the affirmative, then the county may, thereafter, impose the
26 tax.

1 For the purposes of this subsection (c), "enrollment" means
2 the head count of the students residing in the county on the
3 last school day of September of each year, which must be
4 reported on the Illinois State Board of Education Public School
5 Fall Enrollment/Housing Report.

6 (d) The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected under this Section to be deposited into the School
9 Facility Occupation Tax Fund, which shall be an unappropriated
10 trust fund held outside the State treasury.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2011, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the STAR Bonds
16 Financing Act, collected under this Section during the second
17 preceding calendar month for sales within a STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to the regional
22 superintendents of schools in counties from which retailers or
23 servicemen have paid taxes or penalties to the Department
24 during the second preceding calendar month. The amount to be
25 paid to each regional superintendent of schools and disbursed
26 to him or her in accordance with 3-14.31 of the School Code, is

1 equal to the amount (not including credit memoranda) collected
2 from the county under this Section during the second preceding
3 calendar month by the Department, (i) less 2% of that amount,
4 which shall be deposited into the Tax Compliance and
5 Administration Fund and shall be used by the Department,
6 subject to appropriation, to cover the costs of the Department
7 in administering and enforcing the provisions of this Section,
8 on behalf of the county, (ii) plus an amount that the
9 Department determines is necessary to offset any amounts that
10 were erroneously paid to a different taxing body; (iii) less an
11 amount equal to the amount of refunds made during the second
12 preceding calendar month by the Department on behalf of the
13 county; ~~and~~ (iv) less any amount that the Department determines
14 is necessary to offset any amounts that were payable to a
15 different taxing body but were erroneously paid to the county;
16 and (v) less any amounts that are transferred to the STAR Bonds
17 Revenue Fund. When certifying the amount of a monthly
18 disbursement to a regional superintendent of schools under this
19 Section, the Department shall increase or decrease the amounts
20 by an amount necessary to offset any miscalculation of previous
21 disbursements within the previous 6 months from the time a
22 miscalculation is discovered.

23 Within 10 days after receipt by the Comptroller from the
24 Department of the disbursement certification to the regional
25 superintendents of the schools provided for in this Section,
26 the Comptroller shall cause the orders to be drawn for the

1 respective amounts in accordance with directions contained in
2 the certification.

3 If the Department determines that a refund should be made
4 under this Section to a claimant instead of issuing a credit
5 memorandum, then the Department shall notify the Comptroller,
6 who shall cause the order to be drawn for the amount specified
7 and to the person named in the notification from the
8 Department. The refund shall be paid by the Treasurer out of
9 the School Facility Occupation Tax Fund.

10 (e) For the purposes of determining the local governmental
11 unit whose tax is applicable, a retail sale by a producer of
12 coal or another mineral mined in Illinois is a sale at retail
13 at the place where the coal or other mineral mined in Illinois
14 is extracted from the earth. This subsection does not apply to
15 coal or another mineral when it is delivered or shipped by the
16 seller to the purchaser at a point outside Illinois so that the
17 sale is exempt under the United States Constitution as a sale
18 in interstate or foreign commerce.

19 (f) Nothing in this Section may be construed to authorize a
20 county board to impose a tax upon the privilege of engaging in
21 any business that under the Constitution of the United States
22 may not be made the subject of taxation by this State.

23 (g) If a county board imposes a tax under this Section,
24 then the board may, by ordinance, discontinue or reduce the
25 rate of the tax. If, however, a school board issues bonds that
26 are backed by the proceeds of the tax under this Section, then

1 the county board may not reduce the tax rate or discontinue the
2 tax if that rate reduction or discontinuance would inhibit the
3 school board's ability to pay the principal and interest on
4 those bonds as they become due. If the county board reduces the
5 tax rate or discontinues the tax, then a referendum must be
6 held in accordance with subsection (c) of this Section in order
7 to increase the rate of the tax or to reimpose the discontinued
8 tax.

9 The results of any election that authorizes a proposition
10 to impose a tax under this Section or to change the rate of the
11 tax along with an ordinance imposing the tax, or any ordinance
12 that lowers the rate or discontinues the tax, must be certified
13 by the county clerk and filed with the Illinois Department of
14 Revenue either (i) on or before the first day of April,
15 whereupon the Department shall proceed to administer and
16 enforce the tax or change in the rate as of the first day of
17 July next following the filing; or (ii) on or before the first
18 day of October, whereupon the Department shall proceed to
19 administer and enforce the tax or change in the rate as of the
20 first day of January next following the filing.

21 (h) For purposes of this Section, "school facility
22 purposes" means the acquisition, development, construction,
23 reconstruction, rehabilitation, improvement, financing,
24 architectural planning, and installation of capital facilities
25 consisting of buildings, structures, and durable equipment and
26 for the acquisition and improvement of real property and

1 interest in real property required, or expected to be required,
2 in connection with the capital facilities. "School-facility
3 purposes" also includes fire prevention, safety, energy
4 conservation, disabled accessibility, school security, and
5 specified repair purposes set forth under Section 17-2.11 of
6 the School Code.

7 (i) This Section does not apply to Cook County.

8 (j) This Section may be cited as the County School Facility
9 Occupation Tax Law.

10 (Source: P.A. 95-675, eff. 10-11-07.)

11 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

12 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
13 The corporate authorities of a home rule county may impose a
14 tax upon all persons engaged, in such county, in the business
15 of making sales of service at the same rate of tax imposed
16 pursuant to Section 5-1006 of the selling price of all tangible
17 personal property transferred by such servicemen either in the
18 form of tangible personal property or in the form of real
19 estate as an incident to a sale of service. If imposed, such
20 tax shall only be imposed in 1/4% increments. On and after
21 September 1, 1991, this additional tax may not be imposed on
22 the sales of food for human consumption which is to be consumed
23 off the premises where it is sold (other than alcoholic
24 beverages, soft drinks and food which has been prepared for
25 immediate consumption) and prescription and nonprescription

1 medicines, drugs, medical appliances and insulin, urine
2 testing materials, syringes and needles used by diabetics. The
3 tax imposed by a home rule county pursuant to this Section and
4 all civil penalties that may be assessed as an incident thereof
5 shall be collected and enforced by the State Department of
6 Revenue. The certificate of registration which is issued by the
7 Department to a retailer under the Retailers' Occupation Tax
8 Act or under the Service Occupation Tax Act shall permit such
9 registrant to engage in a business which is taxable under any
10 ordinance or resolution enacted pursuant to this Section
11 without registering separately with the Department under such
12 ordinance or resolution or under this Section. The Department
13 shall have full power to administer and enforce this Section;
14 to collect all taxes and penalties due hereunder; to dispose of
15 taxes and penalties so collected in the manner hereinafter
16 provided; and to determine all rights to credit memoranda
17 arising on account of the erroneous payment of tax or penalty
18 hereunder. In the administration of, and compliance with, this
19 Section the Department and persons who are subject to this
20 Section shall have the same rights, remedies, privileges,
21 immunities, powers and duties, and be subject to the same
22 conditions, restrictions, limitations, penalties and
23 definitions of terms, and employ the same modes of procedure,
24 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
25 respect to all provisions therein other than the State rate of
26 tax), 4 (except that the reference to the State shall be to the

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

13 No tax may be imposed by a home rule county pursuant to
14 this Section unless such county also imposes a tax at the same
15 rate pursuant to Section 5-1006.

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

24 Whenever the Department determines that a refund should be
25 made under this Section to a claimant instead of issuing credit
26 memorandum, the Department shall notify the State Comptroller,

1 who shall cause the order to be drawn for the amount specified,
2 and to the person named, in such notification from the
3 Department. Such refund shall be paid by the State Treasurer
4 out of the home rule county retailers' occupation tax fund.

5 The Department shall forthwith pay over to the State
6 Treasurer, ex-officio, as trustee, all taxes and penalties
7 collected hereunder.

8 As soon as possible after the first day of each month,
9 beginning January 1, 2011, upon certification of the Department
10 of Revenue, the Comptroller shall order transferred, and the
11 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
12 local sales tax increment, as defined in the STAR Bonds
13 Financing Act, collected under this Section during the second
14 preceding calendar month for sales within a STAR bond district.

15 After the monthly transfer to the STAR Bonds Revenue Fund,
16 on ~~on~~ or before the 25th day of each calendar month, the
17 Department shall prepare and certify to the Comptroller the
18 disbursement of stated sums of money to named counties, the
19 counties to be those from which suppliers and servicemen have
20 paid taxes or penalties hereunder to the Department during the
21 second preceding calendar month. The amount to be paid to each
22 county shall be the amount (not including credit memoranda)
23 collected hereunder during the second preceding calendar month
24 by the Department, and not including an amount equal to the
25 amount of refunds made during the second preceding calendar
26 month by the Department on behalf of such county, and not

1 including any amounts that are transferred to the STAR Bonds
2 Revenue Fund. Within 10 days after receipt, by the Comptroller,
3 of the disbursement certification to the counties provided for
4 in this Section to be given to the Comptroller by the
5 Department, the Comptroller shall cause the orders to be drawn
6 for the respective amounts in accordance with the directions
7 contained in such certification.

8 In addition to the disbursement required by the preceding
9 paragraph, an allocation shall be made in each year to each
10 county which received more than \$500,000 in disbursements under
11 the preceding paragraph in the preceding calendar year. The
12 allocation shall be in an amount equal to the average monthly
13 distribution made to each such county under the preceding
14 paragraph during the preceding calendar year (excluding the 2
15 months of highest receipts). The distribution made in March of
16 each year subsequent to the year in which an allocation was
17 made pursuant to this paragraph and the preceding paragraph
18 shall be reduced by the amount allocated and disbursed under
19 this paragraph in the preceding calendar year. The Department
20 shall prepare and certify to the Comptroller for disbursement
21 the allocations made in accordance with this paragraph.

22 Nothing in this Section shall be construed to authorize a
23 county to impose a tax upon the privilege of engaging in any
24 business which under the Constitution of the United States may
25 not be made the subject of taxation by this State.

26 An ordinance or resolution imposing or discontinuing a tax

1 hereunder or effecting a change in the rate thereof shall be
2 adopted and a certified copy thereof filed with the Department
3 on or before the first day of June, whereupon the Department
4 shall proceed to administer and enforce this Section as of the
5 first day of September next following such adoption and filing.
6 Beginning January 1, 1992, an ordinance or resolution imposing
7 or discontinuing the tax hereunder or effecting a change in the
8 rate thereof shall be adopted and a certified copy thereof
9 filed with the Department on or before the first day of July,
10 whereupon the Department shall proceed to administer and
11 enforce this Section as of the first day of October next
12 following such adoption and filing. Beginning January 1, 1993,
13 an ordinance or resolution imposing or discontinuing the tax
14 hereunder or effecting a change in the rate thereof shall be
15 adopted and a certified copy thereof filed with the Department
16 on or before the first day of October, whereupon the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of January next following such adoption and filing.
19 Beginning April 1, 1998, an ordinance or resolution imposing or
20 discontinuing the tax hereunder or effecting a change in the
21 rate thereof shall either (i) be adopted and a certified copy
22 thereof filed with the Department on or before the first day of
23 April, whereupon the Department shall proceed to administer and
24 enforce this Section as of the first day of July next following
25 the adoption and filing; or (ii) be adopted and a certified
26 copy thereof filed with the Department on or before the first

1 day of October, whereupon the Department shall proceed to
2 administer and enforce this Section as of the first day of
3 January next following the adoption and filing.

4 This Section shall be known and may be cited as the Home
5 Rule County Service Occupation Tax Law.

6 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

7 Section 70. The Illinois Municipal Code is amended by
8 changing Sections 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
9 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:

10 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

11 Sec. 8-4-1. No bonds shall be issued by the corporate
12 authorities of any municipality until the question of
13 authorizing such bonds has been submitted to the electors of
14 that municipality provided that notice of the bond referendum,
15 if held before July 1, 1999, has been given in accordance with
16 the provisions of Section 12-5 of the Election Code in effect
17 at the time of the bond referendum, at least 10 and not more
18 than 45 days before the date of the election, notwithstanding
19 the time for publication otherwise imposed by Section 12-5, and
20 approved by a majority of the electors voting upon that
21 question. Notices required in connection with the submission of
22 public questions on or after July 1, 1999 shall be as set forth
23 in Section 12-5 of the Election Code. The clerk shall certify
24 the proposition of the corporate authorities to the proper

1 election authority who shall submit the question at an election
2 in accordance with the general election law, subject to the
3 notice provisions set forth in this Section.

4 Notice of any such election shall contain the amount of the
5 bond issue, purpose for which issued, and maximum rate of
6 interest.

7 However, without the submission of the question of issuing
8 bonds to the electors, the corporate authorities of any
9 municipality may authorize the issuance of any of the following
10 bonds:

11 (1) Bonds to refund any existing bonded indebtedness;

12 (2) Bonds to fund or refund any existing judgment
13 indebtedness;

14 (3) In any municipality of less than 500,000 population,
15 bonds to anticipate the collection of installments of special
16 assessments and special taxes against property owned by the
17 municipality and to anticipate the collection of the amount
18 apportioned to the municipality as public benefits under
19 Article 9;

20 (4) Bonds issued by any municipality under Sections 8-4-15
21 through 8-4-23, 11-23-1 through 11-23-12, 11-25-1 through
22 11-26-6, 11-71-1 through 11-71-10, 11-74.4-1 through
23 11-74.4-11, 11-74.5-1 through 11-74.5-15, 11-94-1 through
24 11-94-7, 11-102-1 through 11-102-10, 11-103-11 through
25 11-103-15, 11-118-1 through 11-118-6, 11-119-1 through
26 11-119-5, 11-129-1 through 11-129-7, 11-133-1 through

1 11-133-4, 11-139-1 through 11-139-12, 11-141-1 through
2 11-141-18 of this Code or 10-801 through 10-808 of the Illinois
3 Highway Code, as amended;

4 (5) Bonds issued by the board of education of any school
5 district under the provisions of Sections 34-30 through 34-36
6 of The School Code, as amended;

7 (6) Bonds issued by any municipality under the provisions
8 of Division 6 of this Article 8; and by any municipality under
9 the provisions of Division 7 of this Article 8; or under the
10 provisions of Sections 11-121-4 and 11-121-5;

11 (7) Bonds to pay for the purchase of voting machines by any
12 municipality that has adopted Article 24 of The Election Code,
13 approved May 11, 1943, as amended;

14 (8) Bonds issued by any municipality under Sections 15 and
15 46 of the "Environmental Protection Act", approved June 29,
16 1970;

17 (9) Bonds issued by the corporate authorities of any
18 municipality under the provisions of Section 8-4-25 of this
19 Article 8;

20 (10) Bonds issued under Section 8-4-26 of this Article 8 by
21 any municipality having a board of election commissioners;

22 (11) Bonds issued under the provisions of "An Act to
23 provide the manner of levying or imposing taxes for the
24 provision of special services to areas within the boundaries of
25 home rule units and nonhome rule municipalities and counties",
26 approved September 21, 1973;

1 (12) Bonds issued under Section 8-5-16 of this Code;

2 (13) Bonds to finance the cost of the acquisition,
3 construction or improvement of water or wastewater treatment
4 facilities mandated by an enforceable compliance schedule
5 developed in connection with the federal Clean Water Act or a
6 compliance order issued by the United States Environmental
7 Protection Agency or the Illinois Pollution Control Board;
8 provided that such bonds are authorized by an ordinance adopted
9 by a three-fifths majority of the corporate authorities of the
10 municipality issuing the bonds which ordinance shall specify
11 that the construction or improvement of such facilities is
12 necessary to alleviate an emergency condition in such
13 municipality;

14 (14) Bonds issued by any municipality pursuant to Section
15 11-113.1-1;

16 (15) Bonds issued under Sections 11-74.6-1 through
17 11-74.6-45, the Industrial Jobs Recovery Law of this Code.

18 (16) Bonds issued under the STAR Bond Financing Act, except
19 as may be required by Section 35 of that Act.

20 (Source: P.A. 90-706, eff. 8-7-98; 90-812, eff. 1-26-99; 91-57,
21 eff. 6-30-99.)

22 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

23 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
24 Act. The corporate authorities of a home rule municipality may
25 impose a tax upon all persons engaged in the business of

1 selling tangible personal property, other than an item of
2 tangible personal property titled or registered with an agency
3 of this State's government, at retail in the municipality on
4 the gross receipts from these sales made in the course of such
5 business. If imposed, the tax shall only be imposed in 1/4%
6 increments. On and after September 1, 1991, this additional tax
7 may not be imposed on the sales of food for human consumption
8 that is to be consumed off the premises where it is sold (other
9 than alcoholic beverages, soft drinks and food that has been
10 prepared for immediate consumption) and prescription and
11 nonprescription medicines, drugs, medical appliances and
12 insulin, urine testing materials, syringes and needles used by
13 diabetics. The tax imposed by a home rule municipality under
14 this Section and all civil penalties that may be assessed as an
15 incident of the tax shall be collected and enforced by the
16 State Department of Revenue. The certificate of registration
17 that is issued by the Department to a retailer under the
18 Retailers' Occupation Tax Act shall permit the retailer to
19 engage in a business that is taxable under any ordinance or
20 resolution enacted pursuant to this Section without
21 registering separately with the Department under such
22 ordinance or resolution or under this Section. The Department
23 shall have full power to administer and enforce this Section;
24 to collect all taxes and penalties due hereunder; to dispose of
25 taxes and penalties so collected in the manner hereinafter
26 provided; and to determine all rights to credit memoranda

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

16 No tax may be imposed by a home rule municipality under
17 this Section unless the municipality also imposes a tax at the
18 same rate under Section 8-11-5 of this Act.

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

26 Whenever the Department determines that a refund should be

1 made under this Section to a claimant instead of issuing a
2 credit memorandum, the Department shall notify the State
3 Comptroller, who shall cause the order to be drawn for the
4 amount specified and to the person named in the notification
5 from the Department. The refund shall be paid by the State
6 Treasurer out of the home rule municipal retailers' occupation
7 tax fund.

8 The Department shall immediately pay over to the State
9 Treasurer, ex officio, as trustee, all taxes and penalties
10 collected hereunder.

11 As soon as possible after the first day of each month,
12 beginning January 1, 2011, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the STAR Bonds
16 Financing Act, collected under this Section during the second
17 preceding calendar month for sales within a STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda) collected hereunder during the second preceding

1 calendar month by the Department plus an amount the Department
2 determines is necessary to offset any amounts that were
3 erroneously paid to a different taxing body, and not including
4 an amount equal to the amount of refunds made during the second
5 preceding calendar month by the Department on behalf of such
6 municipality, and not including any amount that the Department
7 determines is necessary to offset any amounts that were payable
8 to a different taxing body but were erroneously paid to the
9 municipality, and not including any amounts that are
10 transferred to the STAR Bonds Revenue Fund. Within 10 days
11 after receipt by the Comptroller of the disbursement
12 certification to the municipalities provided for in this
13 Section to be given to the Comptroller by the Department, the
14 Comptroller shall cause the orders to be drawn for the
15 respective amounts in accordance with the directions contained
16 in the certification.

17 In addition to the disbursement required by the preceding
18 paragraph and in order to mitigate delays caused by
19 distribution procedures, an allocation shall, if requested, be
20 made within 10 days after January 14, 1991, and in November of
21 1991 and each year thereafter, to each municipality that
22 received more than \$500,000 during the preceding fiscal year,
23 (July 1 through June 30) whether collected by the municipality
24 or disbursed by the Department as required by this Section.
25 Within 10 days after January 14, 1991, participating
26 municipalities shall notify the Department in writing of their

1 intent to participate. In addition, for the initial
2 distribution, participating municipalities shall certify to
3 the Department the amounts collected by the municipality for
4 each month under its home rule occupation and service
5 occupation tax during the period July 1, 1989 through June 30,
6 1990. The allocation within 10 days after January 14, 1991,
7 shall be in an amount equal to the monthly average of these
8 amounts, excluding the 2 months of highest receipts. The
9 monthly average for the period of July 1, 1990 through June 30,
10 1991 will be determined as follows: the amounts collected by
11 the municipality under its home rule occupation and service
12 occupation tax during the period of July 1, 1990 through
13 September 30, 1990, plus amounts collected by the Department
14 and paid to such municipality through June 30, 1991, excluding
15 the 2 months of highest receipts. The monthly average for each
16 subsequent period of July 1 through June 30 shall be an amount
17 equal to the monthly distribution made to each such
18 municipality under the preceding paragraph during this period,
19 excluding the 2 months of highest receipts. The distribution
20 made in November 1991 and each year thereafter under this
21 paragraph and the preceding paragraph shall be reduced by the
22 amount allocated and disbursed under this paragraph in the
23 preceding period of July 1 through June 30. The Department
24 shall prepare and certify to the Comptroller for disbursement
25 the allocations made in accordance with this paragraph.

26 For the purpose of determining the local governmental unit

1 whose tax is applicable, a retail sale by a producer of coal or
2 other mineral mined in Illinois is a sale at retail at the
3 place where the coal or other mineral mined in Illinois is
4 extracted from the earth. This paragraph does not apply to coal
5 or other mineral when it is delivered or shipped by the seller
6 to the purchaser at a point outside Illinois so that the sale
7 is exempt under the United States Constitution as a sale in
8 interstate or foreign commerce.

9 Nothing in this Section shall be construed to authorize a
10 municipality to impose a tax upon the privilege of engaging in
11 any business which under the Constitution of the United States
12 may not be made the subject of taxation by this State.

13 An ordinance or resolution imposing or discontinuing a tax
14 hereunder or effecting a change in the rate thereof shall be
15 adopted and a certified copy thereof filed with the Department
16 on or before the first day of June, whereupon the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of September next following the adoption and filing.
19 Beginning January 1, 1992, an ordinance or resolution imposing
20 or discontinuing the tax hereunder or effecting a change in the
21 rate thereof shall be adopted and a certified copy thereof
22 filed with the Department on or before the first day of July,
23 whereupon the Department shall proceed to administer and
24 enforce this Section as of the first day of October next
25 following such adoption and filing. Beginning January 1, 1993,
26 an ordinance or resolution imposing or discontinuing the tax

1 hereunder or effecting a change in the rate thereof shall be
2 adopted and a certified copy thereof filed with the Department
3 on or before the first day of October, whereupon the Department
4 shall proceed to administer and enforce this Section as of the
5 first day of January next following the adoption and filing.
6 However, a municipality located in a county with a population
7 in excess of 3,000,000 that elected to become a home rule unit
8 at the general primary election in 1994 may adopt an ordinance
9 or resolution imposing the tax under this Section and file a
10 certified copy of the ordinance or resolution with the
11 Department on or before July 1, 1994. The Department shall then
12 proceed to administer and enforce this Section as of October 1,
13 1994. Beginning April 1, 1998, an ordinance or resolution
14 imposing or discontinuing the tax hereunder or effecting a
15 change in the rate thereof shall either (i) be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of April, whereupon the Department shall proceed
18 to administer and enforce this Section as of the first day of
19 July next following the adoption and filing; or (ii) be adopted
20 and a certified copy thereof filed with the Department on or
21 before the first day of October, whereupon the Department shall
22 proceed to administer and enforce this Section as of the first
23 day of January next following the adoption and filing.

24 When certifying the amount of a monthly disbursement to a
25 municipality under this Section, the Department shall increase
26 or decrease the amount by an amount necessary to offset any

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous 6
3 months from the time a misallocation is discovered.

4 Any unobligated balance remaining in the Municipal
5 Retailers' Occupation Tax Fund on December 31, 1989, which fund
6 was abolished by Public Act 85-1135, and all receipts of
7 municipal tax as a result of audits of liability periods prior
8 to January 1, 1990, shall be paid into the Local Government Tax
9 Fund for distribution as provided by this Section prior to the
10 enactment of Public Act 85-1135. All receipts of municipal tax
11 as a result of an assessment not arising from an audit, for
12 liability periods prior to January 1, 1990, shall be paid into
13 the Local Government Tax Fund for distribution before July 1,
14 1990, as provided by this Section prior to the enactment of
15 Public Act 85-1135; and on and after July 1, 1990, all such
16 receipts shall be distributed as provided in Section 6z-18 of
17 the State Finance Act.

18 As used in this Section, "municipal" and "municipality"
19 means a city, village or incorporated town, including an
20 incorporated town that has superseded a civil township.

21 This Section shall be known and may be cited as the Home
22 Rule Municipal Retailers' Occupation Tax Act.

23 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

24 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

25 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'

1 Occupation Tax Act. The corporate authorities of a non-home
2 rule municipality may impose a tax upon all persons engaged in
3 the business of selling tangible personal property, other than
4 on an item of tangible personal property which is titled and
5 registered by an agency of this State's Government, at retail
6 in the municipality for expenditure on public infrastructure or
7 for property tax relief or both as defined in Section 8-11-1.2
8 if approved by referendum as provided in Section 8-11-1.1, of
9 the gross receipts from such sales made in the course of such
10 business. The tax imposed may not be more than 1% and may be
11 imposed only in 1/4% increments. The tax may not be imposed on
12 the sale of food for human consumption that is to be consumed
13 off the premises where it is sold (other than alcoholic
14 beverages, soft drinks, and food that has been prepared for
15 immediate consumption) and prescription and nonprescription
16 medicines, drugs, medical appliances, and insulin, urine
17 testing materials, syringes, and needles used by diabetics. The
18 tax imposed by a municipality pursuant to this Section and all
19 civil penalties that may be assessed as an incident thereof
20 shall be collected and enforced by the State Department of
21 Revenue. The certificate of registration which is issued by the
22 Department to a retailer under the Retailers' Occupation Tax
23 Act shall permit such retailer to engage in a business which is
24 taxable under any ordinance or resolution enacted pursuant to
25 this Section without registering separately with the
26 Department under such ordinance or resolution or under this

1 Section. The Department shall have full power to administer and
2 enforce this Section; to collect all taxes and penalties due
3 hereunder; to dispose of taxes and penalties so collected in
4 the manner hereinafter provided, and to determine all rights to
5 credit memoranda, arising on account of the erroneous payment
6 of tax or penalty hereunder. In the administration of, and
7 compliance with, this Section, the Department and persons who
8 are subject to this Section shall have the same rights,
9 remedies, privileges, immunities, powers and duties, and be
10 subject to the same conditions, restrictions, limitations,
11 penalties and definitions of terms, and employ the same modes
12 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
13 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
14 therein other than the State rate of tax), 2c, 3 (except as to
15 the disposition of taxes and penalties collected), 4, 5, 5a,
16 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
17 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
18 Section 3-7 of the Uniform Penalty and Interest Act as fully as
19 if those provisions were set forth herein.

20 No municipality may impose a tax under this Section unless
21 the municipality also imposes a tax at the same rate under
22 Section 8-11-1.4 of this Code.

23 Persons subject to any tax imposed pursuant to the
24 authority granted in this Section may reimburse themselves for
25 their seller's tax liability hereunder by separately stating
26 such tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax which sellers
2 are required to collect under the Use Tax Act, pursuant to such
3 bracket schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should be
5 made under this Section to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the order to be drawn for the
8 amount specified, and to the person named, in such notification
9 from the Department. Such refund shall be paid by the State
10 Treasurer out of the non-home rule municipal retailers'
11 occupation tax fund.

12 The Department shall forthwith pay over to the State
13 Treasurer, ex officio, as trustee, all taxes and penalties
14 collected hereunder.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the STAR Bonds
20 Financing Act, collected under this Section during the second
21 preceding calendar month for sales within a STAR bond district.

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on ~~on~~ or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to named municipalities,
26 the municipalities to be those from which retailers have paid

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

21 For the purpose of determining the local governmental unit
22 whose tax is applicable, a retail sale, by a producer of coal
23 or other mineral mined in Illinois, is a sale at retail at the
24 place where the coal or other mineral mined in Illinois is
25 extracted from the earth. This paragraph does not apply to coal
26 or other mineral when it is delivered or shipped by the seller

1 to the purchaser at a point outside Illinois so that the sale
2 is exempt under the Federal Constitution as a sale in
3 interstate or foreign commerce.

4 Nothing in this Section shall be construed to authorize a
5 municipality to impose a tax upon the privilege of engaging in
6 any business which under the constitution of the United States
7 may not be made the subject of taxation by this State.

8 When certifying the amount of a monthly disbursement to a
9 municipality under this Section, the Department shall increase
10 or decrease such amount by an amount necessary to offset any
11 misallocation of previous disbursements. The offset amount
12 shall be the amount erroneously disbursed within the previous 6
13 months from the time a misallocation is discovered.

14 The Department of Revenue shall implement this amendatory
15 Act of the 91st General Assembly so as to collect the tax on
16 and after January 1, 2002.

17 As used in this Section, "municipal" and "municipality"
18 means a city, village or incorporated town, including an
19 incorporated town which has superseded a civil township.

20 This Section shall be known and may be cited as the
21 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

22 (Source: P.A. 94-679, eff. 1-1-06.)

23 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

24 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
25 Tax Act. The corporate authorities of a non-home rule

1 municipality may impose a tax upon all persons engaged, in such
2 municipality, in the business of making sales of service for
3 expenditure on public infrastructure or for property tax relief
4 or both as defined in Section 8-11-1.2 if approved by
5 referendum as provided in Section 8-11-1.1, of the selling
6 price of all tangible personal property transferred by such
7 servicemen either in the form of tangible personal property or
8 in the form of real estate as an incident to a sale of service.
9 The tax imposed may not be more than 1% and may be imposed only
10 in 1/4% increments. The tax may not be imposed on the sale of
11 food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages, soft
13 drinks, and food that has been prepared for immediate
14 consumption) and prescription and nonprescription medicines,
15 drugs, medical appliances, and insulin, urine testing
16 materials, syringes, and needles used by diabetics. The tax
17 imposed by a municipality pursuant to this Section and all
18 civil penalties that may be assessed as an incident thereof
19 shall be collected and enforced by the State Department of
20 Revenue. The certificate of registration which is issued by the
21 Department to a retailer under the Retailers' Occupation Tax
22 Act or under the Service Occupation Tax Act shall permit such
23 registrant to engage in a business which is taxable under any
24 ordinance or resolution enacted pursuant to this Section
25 without registering separately with the Department under such
26 ordinance or resolution or under this Section. The Department

1 shall have full power to administer and enforce this Section;
2 to collect all taxes and penalties due hereunder; to dispose of
3 taxes and penalties so collected in the manner hereinafter
4 provided, and to determine all rights to credit memoranda
5 arising on account of the erroneous payment of tax or penalty
6 hereunder. In the administration of, and compliance with, this
7 Section the Department and persons who are subject to this
8 Section shall have the same rights, remedies, privileges,
9 immunities, powers and duties, and be subject to the same
10 conditions, restrictions, limitations, penalties and
11 definitions of terms, and employ the same modes of procedure,
12 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
13 respect to all provisions therein other than the State rate of
14 tax), 4 (except that the reference to the State shall be to the
15 taxing municipality), 5, 7, 8 (except that the jurisdiction to
16 which the tax shall be a debt to the extent indicated in that
17 Section 8 shall be the taxing municipality), 9 (except as to
18 the disposition of taxes and penalties collected, and except
19 that the returned merchandise credit for this municipal tax may
20 not be taken against any State tax), 10, 11, 12 (except the
21 reference therein to Section 2b of the Retailers' Occupation
22 Tax Act), 13 (except that any reference to the State shall mean
23 the taxing municipality), the first paragraph of Section 15,
24 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

1 No municipality may impose a tax under this Section unless
2 the municipality also imposes a tax at the same rate under
3 Section 8-11-1.3 of this Code.

4 Persons subject to any tax imposed pursuant to the
5 authority granted in this Section may reimburse themselves for
6 their serviceman's tax liability hereunder by separately
7 stating such tax as an additional charge, which charge may be
8 stated in combination, in a single amount, with State tax which
9 servicemen are authorized to collect under the Service Use Tax
10 Act, pursuant to such bracket schedules as the Department may
11 prescribe.

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing credit
14 memorandum, the Department shall notify the State Comptroller,
15 who shall cause the order to be drawn for the amount specified,
16 and to the person named, in such notification from the
17 Department. Such refund shall be paid by the State Treasurer
18 out of the municipal retailers' occupation tax fund.

19 The Department shall forthwith pay over to the State
20 Treasurer, ex officio, as trustee, all taxes and penalties
21 collected hereunder.

22 As soon as possible after the first day of each month,
23 beginning January 1, 2011, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the STAR Bonds

1 Financing Act, collected under this Section during the second
2 preceding calendar month for sales within a STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on ~~On~~ or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to named municipalities,
7 the municipalities to be those from which suppliers and
8 servicemen have paid taxes or penalties hereunder to the
9 Department during the second preceding calendar month. The
10 amount to be paid to each municipality shall be the amount (not
11 including credit memoranda) collected hereunder during the
12 second preceding calendar month by the Department, and not
13 including an amount equal to the amount of refunds made during
14 the second preceding calendar month by the Department on behalf
15 of such municipality, and not including any amounts that are
16 transferred to the STAR Bonds Revenue Fund. Within 10 days
17 after receipt, by the Comptroller, of the disbursement
18 certification to the municipalities and the General Revenue
19 Fund, provided for in this Section to be given to the
20 Comptroller by the Department, the Comptroller shall cause the
21 orders to be drawn for the respective amounts in accordance
22 with the directions contained in such certification.

23 The Department of Revenue shall implement this amendatory
24 Act of the 91st General Assembly so as to collect the tax on
25 and after January 1, 2002.

26 Nothing in this Section shall be construed to authorize a

1 municipality to impose a tax upon the privilege of engaging in
2 any business which under the constitution of the United States
3 may not be made the subject of taxation by this State.

4 As used in this Section, "municipal" or "municipality"
5 means or refers to a city, village or incorporated town,
6 including an incorporated town which has superseded a civil
7 township.

8 This Section shall be known and may be cited as the
9 "Non-Home Rule Municipal Service Occupation Tax Act".

10 (Source: P.A. 94-679, eff. 1-1-06.)

11 (65 ILCS 5/8-11-1.6)

12 Sec. 8-11-1.6. Non-home rule municipal retailers
13 occupation tax; municipalities between 20,000 and 25,000. The
14 corporate authorities of a non-home rule municipality with a
15 population of more than 20,000 but less than 25,000 that has,
16 prior to January 1, 1987, established a Redevelopment Project
17 Area that has been certified as a State Sales Tax Boundary and
18 has issued bonds or otherwise incurred indebtedness to pay for
19 costs in excess of \$5,000,000, which is secured in part by a
20 tax increment allocation fund, in accordance with the
21 provisions of Division 11-74.4 of this Code may, by passage of
22 an ordinance, impose a tax upon all persons engaged in the
23 business of selling tangible personal property, other than on
24 an item of tangible personal property that is titled and
25 registered by an agency of this State's Government, at retail

1 in the municipality. This tax may not be imposed on the sales
2 of food for human consumption that is to be consumed off the
3 premises where it is sold (other than alcoholic beverages, soft
4 drinks, and food that has been prepared for immediate
5 consumption) and prescription and nonprescription medicines,
6 drugs, medical appliances and insulin, urine testing
7 materials, syringes, and needles used by diabetics. If imposed,
8 the tax shall only be imposed in .25% increments of the gross
9 receipts from such sales made in the course of business. Any
10 tax imposed by a municipality under this Sec. and all civil
11 penalties that may be assessed as an incident thereof shall be
12 collected and enforced by the State Department of Revenue. An
13 ordinance imposing a tax hereunder or effecting a change in the
14 rate thereof shall be adopted and a certified copy thereof
15 filed with the Department on or before the first day of
16 October, whereupon the Department shall proceed to administer
17 and enforce this Section as of the first day of January next
18 following such adoption and filing. The certificate of
19 registration that is issued by the Department to a retailer
20 under the Retailers' Occupation Tax Act shall permit the
21 retailer to engage in a business that is taxable under any
22 ordinance or resolution enacted under this Section without
23 registering separately with the Department under the ordinance
24 or resolution or under this Section. The Department shall have
25 full power to administer and enforce this Section, to collect
26 all taxes and penalties due hereunder, to dispose of taxes and

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

18 A tax may not be imposed by a municipality under this
19 Section unless the municipality also imposes a tax at the same
20 rate under Section 8-11-1.7 of this Act.

21 Persons subject to any tax imposed under the authority
22 granted in this Section, may reimburse themselves for their
23 seller's tax liability hereunder by separately stating the tax
24 as an additional charge, which charge may be stated in
25 combination, in a single amount, with State tax which sellers
26 are required to collect under the Use Tax Act, pursuant to such

1 bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 made under this Section to a claimant, instead of issuing a
4 credit memorandum, the Department shall notify the State
5 Comptroller, who shall cause the order to be drawn for the
6 amount specified, and to the person named in the notification
7 from the Department. The refund shall be paid by the State
8 Treasurer out of the Non-Home Rule Municipal Retailers'
9 Occupation Tax Fund, which is hereby created.

10 The Department shall forthwith pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected hereunder.

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the STAR Bonds
18 Financing Act, collected under this Section during the second
19 preceding calendar month for sales within a STAR bond district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on ~~on~~ or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named municipalities,
24 the municipalities to be those from which retailers have paid
25 taxes or penalties hereunder to the Department during the
26 second preceding calendar month. The amount to be paid to each

1 municipality shall be the amount (not including credit
2 memoranda) collected hereunder during the second preceding
3 calendar month by the Department plus an amount the Department
4 determines is necessary to offset any amounts that were
5 erroneously paid to a different taxing body, and not including
6 an amount equal to the amount of refunds made during the second
7 preceding calendar month by the Department on behalf of the
8 municipality, and not including any amount that the Department
9 determines is necessary to offset any amounts that were payable
10 to a different taxing body but were erroneously paid to the
11 municipality, and not including any amounts that are
12 transferred to the STAR Bonds Revenue Fund. Within 10 days
13 after receipt by the Comptroller of the disbursement
14 certification to the municipalities provided for in this
15 Section to be given to the Comptroller by the Department, the
16 Comptroller shall cause the orders to be drawn for the
17 respective amounts in accordance with the directions contained
18 in the certification.

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

1 interstate or foreign commerce.

2 Nothing in this Section shall be construed to authorize a
3 municipality to impose a tax upon the privilege of engaging in
4 any business which under the constitution of the United States
5 may not be made the subject of taxation by this State.

6 When certifying the amount of a monthly disbursement to a
7 municipality under this Section, the Department shall increase
8 or decrease the amount by an amount necessary to offset any
9 misallocation of previous disbursements. The offset amount
10 shall be the amount erroneously disbursed within the previous 6
11 months from the time a misallocation is discovered.

12 As used in this Section, "municipal" and "municipality"
13 means a city, village, or incorporated town, including an
14 incorporated town that has superseded a civil township.

15 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

16 (65 ILCS 5/8-11-1.7)

17 Sec. 8-11-1.7. Non-home rule municipal service occupation
18 tax; municipalities between 20,000 and 25,000. The corporate
19 authorities of a non-home rule municipality with a population
20 of more than 20,000 but less than 25,000 as determined by the
21 last preceding decennial census that has, prior to January 1,
22 1987, established a Redevelopment Project Area that has been
23 certified as a State Sales Tax Boundary and has issued bonds or
24 otherwise incurred indebtedness to pay for costs in excess of
25 \$5,000,000, which is secured in part by a tax increment

1 allocation fund, in accordance with the provisions of Division
2 11-74.7 of this Code may, by passage of an ordinance, impose a
3 tax upon all persons engaged in the municipality in the
4 business of making sales of service. If imposed, the tax shall
5 only be imposed in .25% increments of the selling price of all
6 tangible personal property transferred by such servicemen
7 either in the form of tangible personal property or in the form
8 of real estate as an incident to a sale of service. This tax
9 may not be imposed on the sales of food for human consumption
10 that is to be consumed off the premises where it is sold (other
11 than alcoholic beverages, soft drinks, and food that has been
12 prepared for immediate consumption) and prescription and
13 nonprescription medicines, drugs, medical appliances and
14 insulin, urine testing materials, syringes, and needles used by
15 diabetics. The tax imposed by a municipality under this Sec.
16 and all civil penalties that may be assessed as an incident
17 thereof shall be collected and enforced by the State Department
18 of Revenue. An ordinance imposing a tax hereunder or effecting
19 a change in the rate thereof shall be adopted and a certified
20 copy thereof filed with the Department on or before the first
21 day of October, whereupon the Department shall proceed to
22 administer and enforce this Section as of the first day of
23 January next following such adoption and filing. The
24 certificate of registration that is issued by the Department to
25 a retailer under the Retailers' Occupation Tax Act or under the
26 Service Occupation Tax Act shall permit the registrant to

1 engage in a business that is taxable under any ordinance or
2 resolution enacted under this Section without registering
3 separately with the Department under the ordinance or
4 resolution or under this Section. The Department shall have
5 full power to administer and enforce this Section, to collect
6 all taxes and penalties due hereunder, to dispose of taxes and
7 penalties so collected in a manner hereinafter provided, and to
8 determine all rights to credit memoranda arising on account of
9 the erroneous payment of tax or penalty hereunder. In the
10 administration of and compliance with this Section, the
11 Department and persons who are subject to this Section shall
12 have the same rights, remedies, privileges, immunities,
13 powers, and duties, and be subject to the same conditions,
14 restrictions, limitations, penalties and definitions of terms,
15 and employ the same modes of procedure, as are prescribed in
16 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
17 provisions therein other than the State rate of tax), 4 (except
18 that the reference to the State shall be to the taxing
19 municipality), 5, 7, 8 (except that the jurisdiction to which
20 the tax shall be a debt to the extent indicated in that Section
21 8 shall be the taxing municipality), 9 (except as to the
22 disposition of taxes and penalties collected, and except that
23 the returned merchandise credit for this municipal tax may not
24 be taken against any State tax), 10, 11, 12, (except the
25 reference therein to Section 2b of the Retailers' Occupation
26 Tax Act), 13 (except that any reference to the State shall mean

1 the taxing municipality), the first paragraph of Sections 15,
2 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and
3 Section 3-7 of the Uniform Penalty and Interest Act, as fully
4 as if those provisions were set forth herein.

5 A tax may not be imposed by a municipality under this
6 Section unless the municipality also imposes a tax at the same
7 rate under Section 8-11-1.6 of this Act.

8 Person subject to any tax imposed under the authority
9 granted in this Section may reimburse themselves for their
10 servicemen's tax liability hereunder by separately stating the
11 tax as an additional charge, which charge may be stated in
12 combination, in a single amount, with State tax that servicemen
13 are authorized to collect under the Service Use Tax Act, under
14 such bracket schedules as the Department may prescribe.

15 Whenever the Department determines that a refund should be
16 made under this Section to a claimant instead of issuing credit
17 memorandum, the Department shall notify the State Comptroller,
18 who shall cause the order to be drawn for the amount specified,
19 and to the person named, in such notification from the
20 Department. The refund shall be paid by the State Treasurer out
21 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

22 The Department shall forthwith pay over to the State
23 Treasurer, ex officio, as trustee, all taxes and penalties
24 collected hereunder.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the STAR Bonds
4 Financing Act, collected under this Section during the second
5 preceding calendar month for sales within a STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on ~~on~~ or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to named municipalities,
10 the municipalities to be those from which suppliers and
11 servicemen have paid taxes or penalties hereunder to the
12 Department during the second preceding calendar month. The
13 amount to be paid to each municipality shall be the amount (not
14 including credit memoranda) collected hereunder during the
15 second preceding calendar month by the Department, and not
16 including an amount equal to the amount of refunds made during
17 the second preceding calendar month by the Department on behalf
18 of such municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the disbursement
21 certification to the municipalities and the General Revenue
22 Fund, provided for in this Section to be given to the
23 Comptroller by the Department, the Comptroller shall cause the
24 orders to be drawn for the respective amounts in accordance
25 with the directions contained in the certification.

26 When certifying the amount of a monthly disbursement to a

1 municipality under this Section, the Department shall increase
2 or decrease the amount by an amount necessary to offset any
3 misallocation of previous disbursements. The offset amount
4 shall be the amount erroneously disbursed within the previous 6
5 months from the time a misallocation is discovered.

6 Nothing in this Section shall be construed to authorize a
7 municipality to impose a tax upon the privilege of engaging in
8 any business which under the constitution of the United States
9 may not be made the subject of taxation by this State.

10 (Source: P.A. 88-334; 89-399, eff. 8-20-95.)

11 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

12 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
13 Act. The corporate authorities of a home rule municipality may
14 impose a tax upon all persons engaged, in such municipality, in
15 the business of making sales of service at the same rate of tax
16 imposed pursuant to Section 8-11-1, of the selling price of all
17 tangible personal property transferred by such servicemen
18 either in the form of tangible personal property or in the form
19 of real estate as an incident to a sale of service. If imposed,
20 such tax shall only be imposed in 1/4% increments. On and after
21 September 1, 1991, this additional tax may not be imposed on
22 the sales of food for human consumption which is to be consumed
23 off the premises where it is sold (other than alcoholic
24 beverages, soft drinks and food which has been prepared for
25 immediate consumption) and prescription and nonprescription

1 medicines, drugs, medical appliances and insulin, urine
2 testing materials, syringes and needles used by diabetics. The
3 tax imposed by a home rule municipality pursuant to this
4 Section and all civil penalties that may be assessed as an
5 incident thereof shall be collected and enforced by the State
6 Department of Revenue. The certificate of registration which is
7 issued by the Department to a retailer under the Retailers'
8 Occupation Tax Act or under the Service Occupation Tax Act
9 shall permit such registrant to engage in a business which is
10 taxable under any ordinance or resolution enacted pursuant to
11 this Section without registering separately with the
12 Department under such ordinance or resolution or under this
13 Section. The Department shall have full power to administer and
14 enforce this Section; to collect all taxes and penalties due
15 hereunder; to dispose of taxes and penalties so collected in
16 the manner hereinafter provided, and to determine all rights to
17 credit memoranda arising on account of the erroneous payment of
18 tax or penalty hereunder. In the administration of, and
19 compliance with, this Section the Department and persons who
20 are subject to this Section shall have the same rights,
21 remedies, privileges, immunities, powers and duties, and be
22 subject to the same conditions, restrictions, limitations,
23 penalties and definitions of terms, and employ the same modes
24 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
25 through 3-50 (in respect to all provisions therein other than
26 the State rate of tax), 4 (except that the reference to the

1 State shall be to the taxing municipality), 5, 7, 8 (except
2 that the jurisdiction to which the tax shall be a debt to the
3 extent indicated in that Section 8 shall be the taxing
4 municipality), 9 (except as to the disposition of taxes and
5 penalties collected, and except that the returned merchandise
6 credit for this municipal tax may not be taken against any
7 State tax), 10, 11, 12 (except the reference therein to Section
8 2b of the Retailers' Occupation Tax Act), 13 (except that any
9 reference to the State shall mean the taxing municipality), the
10 first paragraph of Section 15, 16, 17 (except that credit
11 memoranda issued hereunder may not be used to discharge any
12 State tax liability), 18, 19 and 20 of the Service Occupation
13 Tax Act and Section 3-7 of the Uniform Penalty and Interest
14 Act, as fully as if those provisions were set forth herein.

15 No tax may be imposed by a home rule municipality pursuant
16 to this Section unless such municipality also imposes a tax at
17 the same rate pursuant to Section 8-11-1 of this Act.

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

26 Whenever the Department determines that a refund should be

1 made under this Section to a claimant instead of issuing credit
2 memorandum, the Department shall notify the State Comptroller,
3 who shall cause the order to be drawn for the amount specified,
4 and to the person named, in such notification from the
5 Department. Such refund shall be paid by the State Treasurer
6 out of the home rule municipal retailers' occupation tax fund.

7 The Department shall forthwith pay over to the State
8 Treasurer, ex-officio, as trustee, all taxes and penalties
9 collected hereunder.

10 As soon as possible after the first day of each month,
11 beginning January 1, 2011, upon certification of the Department
12 of Revenue, the Comptroller shall order transferred, and the
13 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
14 local sales tax increment, as defined in the STAR Bonds
15 Financing Act, collected under this Section during the second
16 preceding calendar month for sales within a STAR bond district.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on ~~or~~ or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to named municipalities,
21 the municipalities to be those from which suppliers and
22 servicemen have paid taxes or penalties hereunder to the
23 Department during the second preceding calendar month. The
24 amount to be paid to each municipality shall be the amount (not
25 including credit memoranda) collected hereunder during the
26 second preceding calendar month by the Department, and not

1 including an amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of such municipality, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund. Within 10 days
5 after receipt, by the Comptroller, of the disbursement
6 certification to the municipalities, provided for in this
7 Section to be given to the Comptroller by the Department, the
8 Comptroller shall cause the orders to be drawn for the
9 respective amounts in accordance with the directions contained
10 in such certification.

11 In addition to the disbursement required by the preceding
12 paragraph and in order to mitigate delays caused by
13 distribution procedures, an allocation shall, if requested, be
14 made within 10 days after January 14, 1991, and in November of
15 1991 and each year thereafter, to each municipality that
16 received more than \$500,000 during the preceding fiscal year,
17 (July 1 through June 30) whether collected by the municipality
18 or disbursed by the Department as required by this Section.
19 Within 10 days after January 14, 1991, participating
20 municipalities shall notify the Department in writing of their
21 intent to participate. In addition, for the initial
22 distribution, participating municipalities shall certify to
23 the Department the amounts collected by the municipality for
24 each month under its home rule occupation and service
25 occupation tax during the period July 1, 1989 through June 30,
26 1990. The allocation within 10 days after January 14, 1991,

1 shall be in an amount equal to the monthly average of these
2 amounts, excluding the 2 months of highest receipts. Monthly
3 average for the period of July 1, 1990 through June 30, 1991
4 will be determined as follows: the amounts collected by the
5 municipality under its home rule occupation and service
6 occupation tax during the period of July 1, 1990 through
7 September 30, 1990, plus amounts collected by the Department
8 and paid to such municipality through June 30, 1991, excluding
9 the 2 months of highest receipts. The monthly average for each
10 subsequent period of July 1 through June 30 shall be an amount
11 equal to the monthly distribution made to each such
12 municipality under the preceding paragraph during this period,
13 excluding the 2 months of highest receipts. The distribution
14 made in November 1991 and each year thereafter under this
15 paragraph and the preceding paragraph shall be reduced by the
16 amount allocated and disbursed under this paragraph in the
17 preceding period of July 1 through June 30. The Department
18 shall prepare and certify to the Comptroller for disbursement
19 the allocations made in accordance with this paragraph.

20 Nothing in this Section shall be construed to authorize a
21 municipality to impose a tax upon the privilege of engaging in
22 any business which under the constitution of the United States
23 may not be made the subject of taxation by this State.

24 An ordinance or resolution imposing or discontinuing a tax
25 hereunder or effecting a change in the rate thereof shall be
26 adopted and a certified copy thereof filed with the Department

1 on or before the first day of June, whereupon the Department
2 shall proceed to administer and enforce this Section as of the
3 first day of September next following such adoption and filing.
4 Beginning January 1, 1992, an ordinance or resolution imposing
5 or discontinuing the tax hereunder or effecting a change in the
6 rate thereof shall be adopted and a certified copy thereof
7 filed with the Department on or before the first day of July,
8 whereupon the Department shall proceed to administer and
9 enforce this Section as of the first day of October next
10 following such adoption and filing. Beginning January 1, 1993,
11 an ordinance or resolution imposing or discontinuing the tax
12 hereunder or effecting a change in the rate thereof shall be
13 adopted and a certified copy thereof filed with the Department
14 on or before the first day of October, whereupon the Department
15 shall proceed to administer and enforce this Section as of the
16 first day of January next following such adoption and filing.
17 However, a municipality located in a county with a population
18 in excess of 3,000,000 that elected to become a home rule unit
19 at the general primary election in 1994 may adopt an ordinance
20 or resolution imposing the tax under this Section and file a
21 certified copy of the ordinance or resolution with the
22 Department on or before July 1, 1994. The Department shall then
23 proceed to administer and enforce this Section as of October 1,
24 1994. Beginning April 1, 1998, an ordinance or resolution
25 imposing or discontinuing the tax hereunder or effecting a
26 change in the rate thereof shall either (i) be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of April, whereupon the Department shall proceed
3 to administer and enforce this Section as of the first day of
4 July next following the adoption and filing; or (ii) be adopted
5 and a certified copy thereof filed with the Department on or
6 before the first day of October, whereupon the Department shall
7 proceed to administer and enforce this Section as of the first
8 day of January next following the adoption and filing.

9 Any unobligated balance remaining in the Municipal
10 Retailers' Occupation Tax Fund on December 31, 1989, which fund
11 was abolished by Public Act 85-1135, and all receipts of
12 municipal tax as a result of audits of liability periods prior
13 to January 1, 1990, shall be paid into the Local Government Tax
14 Fund, for distribution as provided by this Section prior to the
15 enactment of Public Act 85-1135. All receipts of municipal tax
16 as a result of an assessment not arising from an audit, for
17 liability periods prior to January 1, 1990, shall be paid into
18 the Local Government Tax Fund for distribution before July 1,
19 1990, as provided by this Section prior to the enactment of
20 Public Act 85-1135, and on and after July 1, 1990, all such
21 receipts shall be distributed as provided in Section 6z-18 of
22 the State Finance Act.

23 As used in this Section, "municipal" and "municipality"
24 means a city, village or incorporated town, including an
25 incorporated town which has superseded a civil township.

26 This Section shall be known and may be cited as the Home

1 Rule Municipal Service Occupation Tax Act.

2 (Source: P.A. 90-689, eff. 7-31-98; 91-51, eff. 6-30-99.)

3 (65 ILCS 5/11-74.3-6)

4 Sec. 11-74.3-6. Business district revenue and obligations.

5 (a) If the corporate authorities of a municipality have
6 approved a business district development or redevelopment plan
7 and have elected to impose a tax by ordinance pursuant to
8 subsections (b), (c), or (d) of this Section, each year after
9 the date of the approval of the ordinance and until all
10 business district project costs and all municipal obligations
11 financing the business district project costs, if any, have
12 been paid in accordance with the business district development
13 or redevelopment plan, but in no event longer than 23 years
14 after the date of adoption of the ordinance approving the
15 business district development or redevelopment plan, all
16 amounts generated by the retailers' occupation tax and service
17 occupation tax shall be collected and the tax shall be enforced
18 by the Department of Revenue in the same manner as all
19 retailers' occupation taxes and service occupation taxes
20 imposed in the municipality imposing the tax and all amounts
21 generated by the hotel operators' occupation tax shall be
22 collected and the tax shall be enforced by the municipality in
23 the same manner as all hotel operators' occupation taxes
24 imposed in the municipality imposing the tax. The corporate
25 authorities of the municipality shall deposit the proceeds of

1 the taxes imposed under subsections (b), (c), and (d) into a
2 special fund held by the corporate authorities of the
3 municipality called the Business District Tax Allocation Fund
4 for the purpose of paying business district project costs and
5 obligations incurred in the payment of those costs.

6 (b) The corporate authorities of a municipality that has
7 established a business district under this Division 74.3 may,
8 by ordinance or resolution, impose a Business District
9 Retailers' Occupation Tax upon all persons engaged in the
10 business of selling tangible personal property, other than an
11 item of tangible personal property titled or registered with an
12 agency of this State's government, at retail in the business
13 district at a rate not to exceed 1% of the gross receipts from
14 the sales made in the course of such business, to be imposed
15 only in 0.25% increments. The tax may not be imposed on food
16 for human consumption that is to be consumed off the premises
17 where it is sold (other than alcoholic beverages, soft drinks,
18 and food that has been prepared for immediate consumption),
19 prescription and nonprescription medicines, drugs, medical
20 appliances, modifications to a motor vehicle for the purpose of
21 rendering it usable by a disabled person, and insulin, urine
22 testing materials, syringes, and needles used by diabetics, for
23 human use.

24 The tax imposed under this subsection and all civil
25 penalties that may be assessed as an incident thereof shall be
26 collected and enforced by the Department of Revenue. The

1 certificate of registration that is issued by the Department to
2 a retailer under the Retailers' Occupation Tax Act shall permit
3 the retailer to engage in a business that is taxable under any
4 ordinance or resolution enacted pursuant to this subsection
5 without registering separately with the Department under such
6 ordinance or resolution or under this subsection. The
7 Department of Revenue shall have full power to administer and
8 enforce this subsection; to collect all taxes and penalties due
9 under this subsection in the manner hereinafter provided; and
10 to determine all rights to credit memoranda arising on account
11 of the erroneous payment of tax or penalty under this
12 subsection. In the administration of, and compliance with, this
13 subsection, the Department and persons who are subject to this
14 subsection shall have the same rights, remedies, privileges,
15 immunities, powers and duties, and be subject to the same
16 conditions, restrictions, limitations, penalties, exclusions,
17 exemptions, and definitions of terms and employ the same modes
18 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
19 through 2-65 (in respect to all provisions therein other than
20 the State rate of tax), 2c through 2h, 3 (except as to the
21 disposition of taxes and penalties collected), 4, 5, 5a, 5c,
22 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
23 12, 13, and 14 of the Retailers' Occupation Tax Act and all
24 provisions of the Uniform Penalty and Interest Act, as fully as
25 if those provisions were set forth herein.

26 Persons subject to any tax imposed under this subsection

1 may reimburse themselves for their seller's tax liability under
2 this subsection by separately stating the tax as an additional
3 charge, which charge may be stated in combination, in a single
4 amount, with State taxes that sellers are required to collect
5 under the Use Tax Act, in accordance with such bracket
6 schedules as the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this subsection to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the order to be drawn for the
11 amount specified and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the business district retailers' occupation
14 tax fund.

15 The Department shall immediately pay over to the State
16 Treasurer, ex officio, as trustee, all taxes, penalties, and
17 interest collected under this subsection for deposit into the
18 business district retailers' occupation tax fund.

19 As soon as possible after the first day of each month,
20 beginning January 1, 2011, upon certification of the Department
21 of Revenue, the Comptroller shall order transferred, and the
22 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
23 local sales tax increment, as defined in the STAR Bonds
24 Financing Act, collected under this subsection during the
25 second preceding calendar month for sales within a STAR bond
26 district.

1 After the monthly transfer to the STAR Bonds Revenue Fund,
2 on ~~On~~ or before the 25th day of each calendar month, the
3 Department shall prepare and certify to the Comptroller the
4 disbursement of stated sums of money to named municipalities
5 from the business district retailers' occupation tax fund, the
6 municipalities to be those from which retailers have paid taxes
7 or penalties under this subsection to the Department during the
8 second preceding calendar month. The amount to be paid to each
9 municipality shall be the amount (not including credit
10 memoranda) collected under this subsection during the second
11 preceding calendar month by the Department plus an amount the
12 Department determines is necessary to offset any amounts that
13 were erroneously paid to a different taxing body, and not
14 including an amount equal to the amount of refunds made during
15 the second preceding calendar month by the Department, less 2%
16 of that amount, which shall be deposited into the Tax
17 Compliance and Administration Fund and shall be used by the
18 Department, subject to appropriation, to cover the costs of the
19 Department in administering and enforcing the provisions of
20 this subsection, on behalf of such municipality, and not
21 including any amount that the Department determines is
22 necessary to offset any amounts that were payable to a
23 different taxing body but were erroneously paid to the
24 municipality, and not including any amounts that are
25 transferred to the STAR Bonds Revenue Fund. Within 10 days
26 after receipt by the Comptroller of the disbursement

1 certification to the municipalities provided for in this
2 subsection to be given to the Comptroller by the Department,
3 the Comptroller shall cause the orders to be drawn for the
4 respective amounts in accordance with the directions contained
5 in the certification. The proceeds of the tax paid to
6 municipalities under this subsection shall be deposited into
7 the Business District Tax Allocation Fund by the municipality.

8 An ordinance or resolution imposing or discontinuing the
9 tax under this subsection or effecting a change in the rate
10 thereof shall either (i) be adopted and a certified copy
11 thereof filed with the Department on or before the first day of
12 April, whereupon the Department, if all other requirements of
13 this subsection are met, shall proceed to administer and
14 enforce this subsection as of the first day of July next
15 following the adoption and filing; or (ii) be adopted and a
16 certified copy thereof filed with the Department on or before
17 the first day of October, whereupon, if all other requirements
18 of this subsection are met, the Department shall proceed to
19 administer and enforce this subsection as of the first day of
20 January next following the adoption and filing.

21 The Department of Revenue shall not administer or enforce
22 an ordinance imposing, discontinuing, or changing the rate of
23 the tax under this subsection, until the municipality also
24 provides, in the manner prescribed by the Department, the
25 boundaries of the business district in such a way that the
26 Department can determine by its address whether a business is

1 located in the business district. The municipality must provide
2 this boundary information to the Department on or before April
3 1 for administration and enforcement of the tax under this
4 subsection by the Department beginning on the following July 1
5 and on or before October 1 for administration and enforcement
6 of the tax under this subsection by the Department beginning on
7 the following January 1. The Department of Revenue shall not
8 administer or enforce any change made to the boundaries of a
9 business district until the municipality reports the boundary
10 change to the Department in the manner prescribed by the
11 Department. The municipality must provide this boundary change
12 information to the Department on or before April 1 for
13 administration and enforcement by the Department of the change
14 beginning on the following July 1 and on or before October 1
15 for administration and enforcement by the Department of the
16 change beginning on the following January 1. The retailers in
17 the business district shall be responsible for charging the tax
18 imposed under this subsection. If a retailer is incorrectly
19 included or excluded from the list of those required to collect
20 the tax under this subsection, both the Department of Revenue
21 and the retailer shall be held harmless if they reasonably
22 relied on information provided by the municipality.

23 A municipality that imposes the tax under this subsection
24 must submit to the Department of Revenue any other information
25 as the Department may require for the administration and
26 enforcement of the tax.

1 When certifying the amount of a monthly disbursement to a
2 municipality under this subsection, the Department shall
3 increase or decrease the amount by an amount necessary to
4 offset any misallocation of previous disbursements. The offset
5 amount shall be the amount erroneously disbursed within the
6 previous 6 months from the time a misallocation is discovered.

7 Nothing in this subsection shall be construed to authorize
8 the municipality to impose a tax upon the privilege of engaging
9 in any business which under the Constitution of the United
10 States may not be made the subject of taxation by this State.

11 If a tax is imposed under this subsection (b), a tax shall
12 also be imposed under subsection (c) of this Section.

13 (c) If a tax has been imposed under subsection (b), a
14 Business District Service Occupation Tax shall also be imposed
15 upon all persons engaged, in the business district, in the
16 business of making sales of service, who, as an incident to
17 making those sales of service, transfer tangible personal
18 property within the business district, either in the form of
19 tangible personal property or in the form of real estate as an
20 incident to a sale of service. The tax shall be imposed at the
21 same rate as the tax imposed in subsection (b) and shall not
22 exceed 1% of the selling price of tangible personal property so
23 transferred within the business district, to be imposed only in
24 0.25% increments. The tax may not be imposed on food for human
25 consumption that is to be consumed off the premises where it is
26 sold (other than alcoholic beverages, soft drinks, and food

1 that has been prepared for immediate consumption),
2 prescription and nonprescription medicines, drugs, medical
3 appliances, modifications to a motor vehicle for the purpose of
4 rendering it usable by a disabled person, and insulin, urine
5 testing materials, syringes, and needles used by diabetics, for
6 human use.

7 The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department of Revenue. The
10 certificate of registration which is issued by the Department
11 to a retailer under the Retailers' Occupation Tax Act or under
12 the Service Occupation Tax Act shall permit such registrant to
13 engage in a business which is taxable under any ordinance or
14 resolution enacted pursuant to this subsection without
15 registering separately with the Department under such
16 ordinance or resolution or under this subsection. The
17 Department of Revenue shall have full power to administer and
18 enforce this subsection; to collect all taxes and penalties due
19 under this subsection; to dispose of taxes and penalties so
20 collected in the manner hereinafter provided; and to determine
21 all rights to credit memoranda arising on account of the
22 erroneous payment of tax or penalty under this subsection. In
23 the administration of, and compliance with this subsection, the
24 Department and persons who are subject to this subsection shall
25 have the same rights, remedies, privileges, immunities, powers
26 and duties, and be subject to the same conditions,

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

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

26 Whenever the Department determines that a refund should be

1 made under this subsection to a claimant instead of issuing
2 credit memorandum, the Department shall notify the State
3 Comptroller, who shall cause the order to be drawn for the
4 amount specified, and to the person named, in such notification
5 from the Department. Such refund shall be paid by the State
6 Treasurer out of the business district retailers' occupation
7 tax fund.

8 The Department shall forthwith pay over to the State
9 Treasurer, ex-officio, as trustee, all taxes, penalties, and
10 interest collected under this subsection for deposit into the
11 business district retailers' occupation tax fund.

12 As soon as possible after the first day of each month,
13 beginning January 1, 2011, upon certification of the Department
14 of Revenue, the Comptroller shall order transferred, and the
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
16 local sales tax increment, as defined in the STAR Bonds
17 Financing Act, collected under this subsection during the
18 second preceding calendar month for sales within a STAR bond
19 district.

20 After the monthly transfer to the STAR Bonds Revenue Fund,
21 on ~~on~~ or before the 25th day of each calendar month, the
22 Department shall prepare and certify to the Comptroller the
23 disbursement of stated sums of money to named municipalities
24 from the business district retailers' occupation tax fund, the
25 municipalities to be those from which suppliers and servicemen
26 have paid taxes or penalties under this subsection to the

1 Department during the second preceding calendar month. The
2 amount to be paid to each municipality shall be the amount (not
3 including credit memoranda) collected under this subsection
4 during the second preceding calendar month by the Department,
5 less 2% of that amount, which shall be deposited into the Tax
6 Compliance and Administration Fund and shall be used by the
7 Department, subject to appropriation, to cover the costs of the
8 Department in administering and enforcing the provisions of
9 this subsection, and not including an amount equal to the
10 amount of refunds made during the second preceding calendar
11 month by the Department on behalf of such municipality, and not
12 including any amounts that are transferred to the STAR Bonds
13 Revenue Fund. Within 10 days after receipt, by the Comptroller,
14 of the disbursement certification to the municipalities,
15 provided for in this subsection to be given to the Comptroller
16 by the Department, the Comptroller shall cause the orders to be
17 drawn for the respective amounts in accordance with the
18 directions contained in such certification. The proceeds of the
19 tax paid to municipalities under this subsection shall be
20 deposited into the Business District Tax Allocation Fund by the
21 municipality.

22 An ordinance or resolution imposing or discontinuing the
23 tax under this subsection or effecting a change in the rate
24 thereof shall either (i) be adopted and a certified copy
25 thereof filed with the Department on or before the first day of
26 April, whereupon the Department, if all other requirements of

1 this subsection are met, shall proceed to administer and
2 enforce this subsection as of the first day of July next
3 following the adoption and filing; or (ii) be adopted and a
4 certified copy thereof filed with the Department on or before
5 the first day of October, whereupon, if all other conditions of
6 this subsection are met, the Department shall proceed to
7 administer and enforce this subsection as of the first day of
8 January next following the adoption and filing.

9 The Department of Revenue shall not administer or enforce
10 an ordinance imposing, discontinuing, or changing the rate of
11 the tax under this subsection, until the municipality also
12 provides, in the manner prescribed by the Department, the
13 boundaries of the business district in such a way that the
14 Department can determine by its address whether a business is
15 located in the business district. The municipality must provide
16 this boundary information to the Department on or before April
17 1 for administration and enforcement of the tax under this
18 subsection by the Department beginning on the following July 1
19 and on or before October 1 for administration and enforcement
20 of the tax under this subsection by the Department beginning on
21 the following January 1. The Department of Revenue shall not
22 administer or enforce any change made to the boundaries of a
23 business district until the municipality reports the boundary
24 change to the Department in the manner prescribed by the
25 Department. The municipality must provide this boundary change
26 information to the Department on or before April 1 for

1 administration and enforcement by the Department of the change
2 beginning on the following July 1 and on or before October 1
3 for administration and enforcement by the Department of the
4 change beginning on the following January 1. The retailers in
5 the business district shall be responsible for charging the tax
6 imposed under this subsection. If a retailer is incorrectly
7 included or excluded from the list of those required to collect
8 the tax under this subsection, both the Department of Revenue
9 and the retailer shall be held harmless if they reasonably
10 relied on information provided by the municipality.

11 A municipality that imposes the tax under this subsection
12 must submit to the Department of Revenue any other information
13 as the Department may require for the administration and
14 enforcement of the tax.

15 Nothing in this subsection shall be construed to authorize
16 the municipality to impose a tax upon the privilege of engaging
17 in any business which under the Constitution of the United
18 States may not be made the subject of taxation by the State.

19 If a tax is imposed under this subsection (c), a tax shall
20 also be imposed under subsection (b) of this Section.

21 (d) By ordinance, a municipality that has established a
22 business district under this Division 74.3 may impose an
23 occupation tax upon all persons engaged in the business
24 district in the business of renting, leasing, or letting rooms
25 in a hotel, as defined in the Hotel Operators' Occupation Tax
26 Act, at a rate not to exceed 1% of the gross rental receipts

1 from the renting, leasing, or letting of hotel rooms within the
2 business district, to be imposed only in 0.25% increments,
3 excluding, however, from gross rental receipts the proceeds of
4 renting, leasing, or letting to permanent residents of a hotel,
5 as defined in the Hotel Operators' Occupation Tax Act, and
6 proceeds from the tax imposed under subsection (c) of Section
7 13 of the Metropolitan Pier and Exposition Authority Act.

8 The tax imposed by the municipality under this subsection
9 and all civil penalties that may be assessed as an incident to
10 that tax shall be collected and enforced by the municipality
11 imposing the tax. The municipality shall have full power to
12 administer and enforce this subsection, to collect all taxes
13 and penalties due under this subsection, to dispose of taxes
14 and penalties so collected in the manner provided in this
15 subsection, and to determine all rights to credit memoranda
16 arising on account of the erroneous payment of tax or penalty
17 under this subsection. In the administration of and compliance
18 with this subsection, the municipality and persons who are
19 subject to this subsection shall have the same rights,
20 remedies, privileges, immunities, powers, and duties, shall be
21 subject to the same conditions, restrictions, limitations,
22 penalties, and definitions of terms, and shall employ the same
23 modes of procedure as are employed with respect to a tax
24 adopted by the municipality under Section 8-3-14 of this Code.

25 Persons subject to any tax imposed under the authority
26 granted in this subsection may reimburse themselves for their

1 tax liability for that tax by separately stating that tax as an
2 additional charge, which charge may be stated in combination,
3 in a single amount, with State taxes imposed under the Hotel
4 Operators' Occupation Tax Act, and with any other tax.

5 Nothing in this subsection shall be construed to authorize
6 a municipality to impose a tax upon the privilege of engaging
7 in any business which under the Constitution of the United
8 States may not be made the subject of taxation by this State.

9 The proceeds of the tax imposed under this subsection shall
10 be deposited into the Business District Tax Allocation Fund.

11 (e) Obligations issued pursuant to subsection (14) of
12 Section 11-74.3-3 shall be retired in the manner provided in
13 the ordinance authorizing the issuance of those obligations by
14 the receipts of taxes levied as authorized in subsections (12)
15 and (13) of Section 11-74.3-3. The ordinance shall pledge all
16 of the amounts in and to be deposited in the Business District
17 Tax Allocation Fund to the payment of business district project
18 costs and obligations. Obligations issued pursuant to
19 subsection (14) of Section 11-74.3-3 may be sold at public or
20 private sale at a price determined by the corporate authorities
21 of the municipality and no referendum approval of the electors
22 shall be required as a condition to the issuance of those
23 obligations. The ordinance authorizing the obligations may
24 require that the obligations contain a recital that they are
25 issued pursuant to subsection (14) of Section 11-74.3-3 and
26 this recital shall be conclusive evidence of their validity and

1 of the regularity of their issuance. The corporate authorities
2 of the municipality may also issue its obligations to refund,
3 in whole or in part, obligations previously issued by the
4 municipality under the authority of this Code, whether at or
5 prior to maturity. All obligations issued pursuant to
6 subsection (14) of Section 11-74.3-3 shall not be regarded as
7 indebtedness of the municipality issuing the obligations for
8 the purpose of any limitation imposed by law.

9 (f) When business district costs, including, without
10 limitation, all municipal obligations financing business
11 district project costs incurred under Section 11-74.3-3 have
12 been paid, any surplus funds then remaining in the Business
13 District Tax Allocation Fund shall be distributed to the
14 municipal treasurer for deposit into the municipal general
15 corporate fund. Upon payment of all business district project
16 costs and retirement of obligations, but in no event more than
17 23 years after the date of adoption of the ordinance approving
18 the business district development or redevelopment plan, the
19 municipality shall adopt an ordinance immediately rescinding
20 the taxes imposed pursuant to subsections (12) and (13) of
21 Section 11-74.3-3.

22 (Source: P.A. 93-1053, eff. 1-1-05; 93-1089, eff. 3-7-05.)

23 Section 75. The Metropolitan Pier and Exposition Authority
24 Act is amended by changing Section 13 as follows:

1 (70 ILCS 210/13) (from Ch. 85, par. 1233)

2 Sec. 13. (a) The Authority shall not have power to levy
3 taxes for any purpose, except as provided in subsections (b),
4 (c), (d), (e), and (f).

5 (b) By ordinance the Authority shall, as soon as
6 practicable after the effective date of this amendatory Act of
7 1991, impose a Metropolitan Pier and Exposition Authority
8 Retailers' Occupation Tax upon all persons engaged in the
9 business of selling tangible personal property at retail within
10 the territory described in this subsection at the rate of 1.0%
11 of the gross receipts (i) from the sale of food, alcoholic
12 beverages, and soft drinks sold for consumption on the premises
13 where sold and (ii) from the sale of food, alcoholic beverages,
14 and soft drinks sold for consumption off the premises where
15 sold by a retailer whose principal source of gross receipts is
16 from the sale of food, alcoholic beverages, and soft drinks
17 prepared for immediate consumption.

18 The tax imposed under this subsection and all civil
19 penalties that may be assessed as an incident to that tax shall
20 be collected and enforced by the Illinois Department of
21 Revenue. The Department shall have full power to administer and
22 enforce this subsection, to collect all taxes and penalties so
23 collected in the manner provided in this subsection, and to
24 determine all rights to credit memoranda arising on account of
25 the erroneous payment of tax or penalty under this subsection.
26 In the administration of and compliance with this subsection,

1 the Department and persons who are subject to this subsection
2 shall have the same rights, remedies, privileges, immunities,
3 powers, and duties, shall be subject to the same conditions,
4 restrictions, limitations, penalties, exclusions, exemptions,
5 and definitions of terms, and shall employ the same modes of
6 procedure applicable to this Retailers' Occupation Tax as are
7 prescribed in Sections 1, 2 through 2-65 (in respect to all
8 provisions of those Sections other than the State rate of
9 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes
10 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,
11 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, and until
12 January 1, 1994, 13.5 of the Retailers' Occupation Tax Act,
13 and, on and after January 1, 1994, all applicable provisions of
14 the Uniform Penalty and Interest Act that are not inconsistent
15 with this Act, as fully as if provisions contained in those
16 Sections of the Retailers' Occupation Tax Act were set forth in
17 this subsection.

18 Persons subject to any tax imposed under the authority
19 granted in this subsection may reimburse themselves for their
20 seller's tax liability under this subsection by separately
21 stating that tax as an additional charge, which charge may be
22 stated in combination, in a single amount, with State taxes
23 that sellers are required to collect under the Use Tax Act,
24 pursuant to bracket schedules as the Department may prescribe.
25 The retailer filing the return shall, at the time of filing the
26 return, pay to the Department the amount of tax imposed under

1 this subsection, less a discount of 1.75%, which is allowed to
2 reimburse the retailer for the expenses incurred in keeping
3 records, preparing and filing returns, remitting the tax, and
4 supplying data to the Department on request.

5 Whenever the Department determines that a refund should be
6 made under this subsection to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause a warrant to be drawn for the
9 amount specified and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the Metropolitan Pier and Exposition Authority
12 trust fund held by the State Treasurer as trustee for the
13 Authority.

14 Nothing in this subsection authorizes the Authority to
15 impose a tax upon the privilege of engaging in any business
16 that under the Constitution of the United States may not be
17 made the subject of taxation by this State.

18 The Department shall forthwith pay over to the State
19 Treasurer, ex officio, as trustee for the Authority, all taxes
20 and penalties collected under this subsection for deposit into
21 a trust fund held outside of the State Treasury.

22 As soon as possible after the first day of each month,
23 beginning January 1, 2011, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the STAR Bonds

1 Financing Act, collected under this subsection during the
2 second preceding calendar month for sales within a STAR bond
3 district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on ~~On~~ or before the 25th day of each calendar month, the
6 Department shall prepare and certify to the Comptroller the
7 amounts to be paid under subsection (g) of this Section, which
8 shall be the amounts, not including credit memoranda, collected
9 under this subsection during the second preceding calendar
10 month by the Department, less any amounts determined by the
11 Department to be necessary for the payment of refunds, ~~and~~ less
12 2% of such balance, which sum shall be deposited by the State
13 Treasurer into the Tax Compliance and Administration Fund in
14 the State Treasury from which it shall be appropriated to the
15 Department to cover the costs of the Department in
16 administering and enforcing the provisions of this subsection, and
17 and less any amounts that are transferred to the STAR Bonds
18 Revenue Fund. Within 10 days after receipt by the Comptroller
19 of the certification, the Comptroller shall cause the orders to
20 be drawn for the remaining amounts, and the Treasurer shall
21 administer those amounts as required in subsection (g).

22 A certificate of registration issued by the Illinois
23 Department of Revenue to a retailer under the Retailers'
24 Occupation Tax Act shall permit the registrant to engage in a
25 business that is taxed under the tax imposed under this
26 subsection, and no additional registration shall be required

1 under the ordinance imposing the tax or under this subsection.

2 A certified copy of any ordinance imposing or discontinuing
3 any tax under this subsection or effecting a change in the rate
4 of that tax shall be filed with the Department, whereupon the
5 Department shall proceed to administer and enforce this
6 subsection on behalf of the Authority as of the first day of
7 the third calendar month following the date of filing.

8 The tax authorized to be levied under this subsection may
9 be levied within all or any part of the following described
10 portions of the metropolitan area:

11 (1) that portion of the City of Chicago located within
12 the following area: Beginning at the point of intersection
13 of the Cook County - DuPage County line and York Road, then
14 North along York Road to its intersection with Touhy
15 Avenue, then east along Touhy Avenue to its intersection
16 with the Northwest Tollway, then southeast along the
17 Northwest Tollway to its intersection with Lee Street, then
18 south along Lee Street to Higgins Road, then south and east
19 along Higgins Road to its intersection with Mannheim Road,
20 then south along Mannheim Road to its intersection with
21 Irving Park Road, then west along Irving Park Road to its
22 intersection with the Cook County - DuPage County line,
23 then north and west along the county line to the point of
24 beginning; and

25 (2) that portion of the City of Chicago located within
26 the following area: Beginning at the intersection of West

1 55th Street with Central Avenue, then east along West 55th
2 Street to its intersection with South Cicero Avenue, then
3 south along South Cicero Avenue to its intersection with
4 West 63rd Street, then west along West 63rd Street to its
5 intersection with South Central Avenue, then north along
6 South Central Avenue to the point of beginning; and

7 (3) that portion of the City of Chicago located within
8 the following area: Beginning at the point 150 feet west of
9 the intersection of the west line of North Ashland Avenue
10 and the north line of West Diversey Avenue, then north 150
11 feet, then east along a line 150 feet north of the north
12 line of West Diversey Avenue extended to the shoreline of
13 Lake Michigan, then following the shoreline of Lake
14 Michigan (including Navy Pier and all other improvements
15 fixed to land, docks, or piers) to the point where the
16 shoreline of Lake Michigan and the Adlai E. Stevenson
17 Expressway extended east to that shoreline intersect, then
18 west along the Adlai E. Stevenson Expressway to a point 150
19 feet west of the west line of South Ashland Avenue, then
20 north along a line 150 feet west of the west line of South
21 and North Ashland Avenue to the point of beginning.

22 The tax authorized to be levied under this subsection may
23 also be levied on food, alcoholic beverages, and soft drinks
24 sold on boats and other watercraft departing from and returning
25 to the shoreline of Lake Michigan (including Navy Pier and all
26 other improvements fixed to land, docks, or piers) described in

1 item (3).

2 (c) By ordinance the Authority shall, as soon as
3 practicable after the effective date of this amendatory Act of
4 1991, impose an occupation tax upon all persons engaged in the
5 corporate limits of the City of Chicago in the business of
6 renting, leasing, or letting rooms in a hotel, as defined in
7 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of
8 the gross rental receipts from the renting, leasing, or letting
9 of hotel rooms within the City of Chicago, excluding, however,
10 from gross rental receipts the proceeds of renting, leasing, or
11 letting to permanent residents of a hotel, as defined in that
12 Act. Gross rental receipts shall not include charges that are
13 added on account of the liability arising from any tax imposed
14 by the State or any governmental agency on the occupation of
15 renting, leasing, or letting rooms in a hotel.

16 The tax imposed by the Authority under this subsection and
17 all civil penalties that may be assessed as an incident to that
18 tax shall be collected and enforced by the Illinois Department
19 of Revenue. The certificate of registration that is issued by
20 the Department to a lessor under the Hotel Operators'
21 Occupation Tax Act shall permit that registrant to engage in a
22 business that is taxable under any ordinance enacted under this
23 subsection without registering separately with the Department
24 under that ordinance or under this subsection. The Department
25 shall have full power to administer and enforce this
26 subsection, to collect all taxes and penalties due under this

1 subsection, to dispose of taxes and penalties so collected in
2 the manner provided in this subsection, and to determine all
3 rights to credit memoranda arising on account of the erroneous
4 payment of tax or penalty under this subsection. In the
5 administration of and compliance with this subsection, the
6 Department and persons who are subject to this subsection shall
7 have the same rights, remedies, privileges, immunities,
8 powers, and duties, shall be subject to the same conditions,
9 restrictions, limitations, penalties, and definitions of
10 terms, and shall employ the same modes of procedure as are
11 prescribed in the Hotel Operators' Occupation Tax Act (except
12 where that Act is inconsistent with this subsection), as fully
13 as if the provisions contained in the Hotel Operators'
14 Occupation Tax Act were set out in this subsection.

15 Whenever the Department determines that a refund should be
16 made under this subsection to a claimant instead of issuing a
17 credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause a warrant to be drawn for the
19 amount specified and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Metropolitan Pier and Exposition Authority
22 trust fund held by the State Treasurer as trustee for the
23 Authority.

24 Persons subject to any tax imposed under the authority
25 granted in this subsection may reimburse themselves for their
26 tax liability for that tax by separately stating that tax as an

1 additional charge, which charge may be stated in combination,
2 in a single amount, with State taxes imposed under the Hotel
3 Operators' Occupation Tax Act, the municipal tax imposed under
4 Section 8-3-13 of the Illinois Municipal Code, and the tax
5 imposed under Section 19 of the Illinois Sports Facilities
6 Authority Act.

7 The person filing the return shall, at the time of filing
8 the return, pay to the Department the amount of tax, less a
9 discount of 2.1% or \$25 per calendar year, whichever is
10 greater, which is allowed to reimburse the operator for the
11 expenses incurred in keeping records, preparing and filing
12 returns, remitting the tax, and supplying data to the
13 Department on request.

14 The Department shall forthwith pay over to the State
15 Treasurer, ex officio, as trustee for the Authority, all taxes
16 and penalties collected under this subsection for deposit into
17 a trust fund held outside the State Treasury. On or before the
18 25th day of each calendar month, the Department shall certify
19 to the Comptroller the amounts to be paid under subsection (g)
20 of this Section, which shall be the amounts (not including
21 credit memoranda) collected under this subsection during the
22 second preceding calendar month by the Department, less any
23 amounts determined by the Department to be necessary for
24 payment of refunds. Within 10 days after receipt by the
25 Comptroller of the Department's certification, the Comptroller
26 shall cause the orders to be drawn for such amounts, and the

1 Treasurer shall administer those amounts as required in
2 subsection (g).

3 A certified copy of any ordinance imposing or discontinuing
4 a tax under this subsection or effecting a change in the rate
5 of that tax shall be filed with the Illinois Department of
6 Revenue, whereupon the Department shall proceed to administer
7 and enforce this subsection on behalf of the Authority as of
8 the first day of the third calendar month following the date of
9 filing.

10 (d) By ordinance the Authority shall, as soon as
11 practicable after the effective date of this amendatory Act of
12 1991, impose a tax upon all persons engaged in the business of
13 renting automobiles in the metropolitan area at the rate of 6%
14 of the gross receipts from that business, except that no tax
15 shall be imposed on the business of renting automobiles for use
16 as taxicabs or in livery service. The tax imposed under this
17 subsection and all civil penalties that may be assessed as an
18 incident to that tax shall be collected and enforced by the
19 Illinois Department of Revenue. The certificate of
20 registration issued by the Department to a retailer under the
21 Retailers' Occupation Tax Act or under the Automobile Renting
22 Occupation and Use Tax Act shall permit that person to engage
23 in a business that is taxable under any ordinance enacted under
24 this subsection without registering separately with the
25 Department under that ordinance or under this subsection. The
26 Department shall have full power to administer and enforce this

1 subsection, to collect all taxes and penalties due under this
2 subsection, to dispose of taxes and penalties so collected in
3 the manner provided in this subsection, and to determine all
4 rights to credit memoranda arising on account of the erroneous
5 payment of tax or penalty under this subsection. In the
6 administration of and compliance with this subsection, the
7 Department and persons who are subject to this subsection shall
8 have the same rights, remedies, privileges, immunities,
9 powers, and duties, be subject to the same conditions,
10 restrictions, limitations, penalties, and definitions of
11 terms, and employ the same modes of procedure as are prescribed
12 in Sections 2 and 3 (in respect to all provisions of those
13 Sections other than the State rate of tax; and in respect to
14 the provisions of the Retailers' Occupation Tax Act referred to
15 in those Sections, except as to the disposition of taxes and
16 penalties collected, except for the provision allowing
17 retailers a deduction from the tax to cover certain costs, and
18 except that credit memoranda issued under this subsection may
19 not be used to discharge any State tax liability) of the
20 Automobile Renting Occupation and Use Tax Act, as fully as if
21 provisions contained in those Sections of that Act were set
22 forth in this subsection.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 tax liability under this subsection by separately stating that
26 tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax that sellers
2 are required to collect under the Automobile Renting Occupation
3 and Use Tax Act, pursuant to bracket schedules as the
4 Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this subsection to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause a warrant to be drawn for the
9 amount specified and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the Metropolitan Pier and Exposition Authority
12 trust fund held by the State Treasurer as trustee for the
13 Authority.

14 The Department shall forthwith pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected under this subsection for deposit into a trust fund
17 held outside the State Treasury. On or before the 25th day of
18 each calendar month, the Department shall certify to the
19 Comptroller the amounts to be paid under subsection (g) of this
20 Section (not including credit memoranda) collected under this
21 subsection during the second preceding calendar month by the
22 Department, less any amount determined by the Department to be
23 necessary for payment of refunds. Within 10 days after receipt
24 by the Comptroller of the Department's certification, the
25 Comptroller shall cause the orders to be drawn for such
26 amounts, and the Treasurer shall administer those amounts as

1 required in subsection (g).

2 Nothing in this subsection authorizes the Authority to
3 impose a tax upon the privilege of engaging in any business
4 that under the Constitution of the United States may not be
5 made the subject of taxation by this State.

6 A certified copy of any ordinance imposing or discontinuing
7 a tax under this subsection or effecting a change in the rate
8 of that tax shall be filed with the Illinois Department of
9 Revenue, whereupon the Department shall proceed to administer
10 and enforce this subsection on behalf of the Authority as of
11 the first day of the third calendar month following the date of
12 filing.

13 (e) By ordinance the Authority shall, as soon as
14 practicable after the effective date of this amendatory Act of
15 1991, impose a tax upon the privilege of using in the
16 metropolitan area an automobile that is rented from a rentor
17 outside Illinois and is titled or registered with an agency of
18 this State's government at a rate of 6% of the rental price of
19 that automobile, except that no tax shall be imposed on the
20 privilege of using automobiles rented for use as taxicabs or in
21 livery service. The tax shall be collected from persons whose
22 Illinois address for titling or registration purposes is given
23 as being in the metropolitan area. The tax shall be collected
24 by the Department of Revenue for the Authority. The tax must be
25 paid to the State or an exemption determination must be
26 obtained from the Department of Revenue before the title or

1 certificate of registration for the property may be issued. The
2 tax or proof of exemption may be transmitted to the Department
3 by way of the State agency with which or State officer with
4 whom the tangible personal property must be titled or
5 registered if the Department and that agency or State officer
6 determine that this procedure will expedite the processing of
7 applications for title or registration.

8 The Department shall have full power to administer and
9 enforce this subsection, to collect all taxes, penalties, and
10 interest due under this subsection, to dispose of taxes,
11 penalties, and interest so collected in the manner provided in
12 this subsection, and to determine all rights to credit
13 memoranda or refunds arising on account of the erroneous
14 payment of tax, penalty, or interest under this subsection. In
15 the administration of and compliance with this subsection, the
16 Department and persons who are subject to this subsection shall
17 have the same rights, remedies, privileges, immunities,
18 powers, and duties, be subject to the same conditions,
19 restrictions, limitations, penalties, and definitions of
20 terms, and employ the same modes of procedure as are prescribed
21 in Sections 2 and 4 (except provisions pertaining to the State
22 rate of tax; and in respect to the provisions of the Use Tax
23 Act referred to in that Section, except provisions concerning
24 collection or refunding of the tax by retailers, except the
25 provisions of Section 19 pertaining to claims by retailers,
26 except the last paragraph concerning refunds, and except that

1 credit memoranda issued under this subsection may not be used
2 to discharge any State tax liability) of the Automobile Renting
3 Occupation and Use Tax Act, as fully as if provisions contained
4 in those Sections of that Act were set forth in this
5 subsection.

6 Whenever the Department determines that a refund should be
7 made under this subsection to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause a warrant to be drawn for the
10 amount specified and to the person named in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the Metropolitan Pier and Exposition Authority
13 trust fund held by the State Treasurer as trustee for the
14 Authority.

15 The Department shall forthwith pay over to the State
16 Treasurer, ex officio, as trustee, all taxes, penalties, and
17 interest collected under this subsection for deposit into a
18 trust fund held outside the State Treasury. On or before the
19 25th day of each calendar month, the Department shall certify
20 to the State Comptroller the amounts to be paid under
21 subsection (g) of this Section, which shall be the amounts (not
22 including credit memoranda) collected under this subsection
23 during the second preceding calendar month by the Department,
24 less any amounts determined by the Department to be necessary
25 for payment of refunds. Within 10 days after receipt by the
26 State Comptroller of the Department's certification, the

1 Comptroller shall cause the orders to be drawn for such
2 amounts, and the Treasurer shall administer those amounts as
3 required in subsection (g).

4 A certified copy of any ordinance imposing or discontinuing
5 a tax or effecting a change in the rate of that tax shall be
6 filed with the Illinois Department of Revenue, whereupon the
7 Department shall proceed to administer and enforce this
8 subsection on behalf of the Authority as of the first day of
9 the third calendar month following the date of filing.

10 (f) By ordinance the Authority shall, as soon as
11 practicable after the effective date of this amendatory Act of
12 1991, impose an occupation tax on all persons, other than a
13 governmental agency, engaged in the business of providing
14 ground transportation for hire to passengers in the
15 metropolitan area at a rate of (i) \$2 per taxi or livery
16 vehicle departure with passengers for hire from commercial
17 service airports in the metropolitan area, (ii) for each
18 departure with passengers for hire from a commercial service
19 airport in the metropolitan area in a bus or van operated by a
20 person other than a person described in item (iii): \$9 per bus
21 or van with a capacity of 1-12 passengers, \$18 per bus or van
22 with a capacity of 13-24 passengers, and \$27 per bus or van
23 with a capacity of over 24 passengers, and (iii) for each
24 departure with passengers for hire from a commercial service
25 airport in the metropolitan area in a bus or van operated by a
26 person regulated by the Interstate Commerce Commission or

1 Illinois Commerce Commission, operating scheduled service from
2 the airport, and charging fares on a per passenger basis: \$1
3 per passenger for hire in each bus or van. The term "commercial
4 service airports" means those airports receiving scheduled
5 passenger service and enplaning more than 100,000 passengers
6 per year.

7 In the ordinance imposing the tax, the Authority may
8 provide for the administration and enforcement of the tax and
9 the collection of the tax from persons subject to the tax as
10 the Authority determines to be necessary or practicable for the
11 effective administration of the tax. The Authority may enter
12 into agreements as it deems appropriate with any governmental
13 agency providing for that agency to act as the Authority's
14 agent to collect the tax.

15 In the ordinance imposing the tax, the Authority may
16 designate a method or methods for persons subject to the tax to
17 reimburse themselves for the tax liability arising under the
18 ordinance (i) by separately stating the full amount of the tax
19 liability as an additional charge to passengers departing the
20 airports, (ii) by separately stating one-half of the tax
21 liability as an additional charge to both passengers departing
22 from and to passengers arriving at the airports, or (iii) by
23 some other method determined by the Authority.

24 All taxes, penalties, and interest collected under any
25 ordinance adopted under this subsection, less any amounts
26 determined to be necessary for the payment of refunds, shall be

1 paid forthwith to the State Treasurer, ex officio, for deposit
2 into a trust fund held outside the State Treasury and shall be
3 administered by the State Treasurer as provided in subsection
4 (g) of this Section.

5 (g) Amounts deposited from the proceeds of taxes imposed by
6 the Authority under subsections (b), (c), (d), (e), and (f) of
7 this Section and amounts deposited under Section 19 of the
8 Illinois Sports Facilities Authority Act shall be held in a
9 trust fund outside the State Treasury and shall be administered
10 by the Treasurer as follows: first, an amount necessary for the
11 payment of refunds shall be retained in the trust fund; second,
12 the balance of the proceeds deposited in the trust fund during
13 fiscal year 1993 shall be retained in the trust fund during
14 that year and thereafter shall be administered as a reserve to
15 fund the deposits required in item "third"; third, beginning
16 July 20, 1993, and continuing each month thereafter, provided
17 that the amount requested in the certificate of the Chairman of
18 the Authority filed under Section 8.25f of the State Finance
19 Act has been appropriated for payment to the Authority, 1/8 of
20 the annual amount requested in that certificate together with
21 any cumulative deficiencies shall be transferred from the trust
22 fund into the McCormick Place Expansion Project Fund in the
23 State Treasury until 100% of the amount requested in that
24 certificate plus any cumulative deficiencies in the amounts
25 transferred into the McCormick Place Expansion Project Fund
26 under this item "third", have been so transferred; fourth, the

1 balance shall be maintained in the trust fund; fifth, on July
2 20, 1994, and on July 20 of each year thereafter the Treasurer
3 shall calculate for the previous fiscal year the surplus
4 revenues in the trust fund and pay that amount to the
5 Authority. "Surplus revenues" shall mean the difference
6 between the amount in the trust fund on June 30 of the fiscal
7 year previous to the current fiscal year (excluding amounts
8 retained for refunds under item "first") minus the amount
9 deposited in the trust fund during fiscal year 1993 under item
10 "second". Moneys received by the Authority under item "fifth"
11 may be used solely for the purposes of paying debt service on
12 the bonds and notes issued by the Authority, including early
13 redemption of those bonds or notes, and for the purposes of
14 repair, replacement, and improvement of the grounds,
15 buildings, and facilities of the Authority; provided that any
16 moneys in excess of \$50,000,000 held by the Authority as of
17 June 30 in any fiscal year and received by the Authority under
18 item "fifth" shall be used solely for paying the debt service
19 on or early redemption of the Authority's bonds or notes. When
20 bonds and notes issued under Section 13.2, or bonds or notes
21 issued to refund those bonds and notes, are no longer
22 outstanding, the balance in the trust fund shall be paid to the
23 Authority.

24 (h) The ordinances imposing the taxes authorized by this
25 Section shall be repealed when bonds and notes issued under
26 Section 13.2 or bonds and notes issued to refund those bonds

1 and notes are no longer outstanding.

2 (Source: P.A. 90-612, eff. 7-8-98.)

3 Section 80. The Flood Prevention District Act is amended by
4 changing Section 25 as follows:

5 (70 ILCS 750/25)

6 Sec. 25. Flood prevention retailers' and service
7 occupation taxes.

8 (a) If the Board of Commissioners of a flood prevention
9 district determines that an emergency situation exists
10 regarding levee repair or flood prevention, and upon an
11 ordinance confirming the determination adopted by the
12 affirmative vote of a majority of the members of the county
13 board of the county in which the district is situated, the
14 county may impose a flood prevention retailers' occupation tax
15 upon all persons engaged in the business of selling tangible
16 personal property at retail within the territory of the
17 district to provide revenue to pay the costs of providing
18 emergency levee repair and flood prevention and to secure the
19 payment of bonds, notes, and other evidences of indebtedness
20 issued under this Act for a period not to exceed 25 years or as
21 required to repay the bonds, notes, and other evidences of
22 indebtedness issued under this Act. The tax rate shall be 0.25%
23 of the gross receipts from all taxable sales made in the course
24 of that business. The tax imposed under this Section and all

1 civil penalties that may be assessed as an incident thereof
2 shall be collected and enforced by the State Department of
3 Revenue. The Department shall have full power to administer and
4 enforce this Section; to collect all taxes and penalties so
5 collected in the manner hereinafter provided; and to determine
6 all rights to credit memoranda arising on account of the
7 erroneous payment of tax or penalty hereunder.

8 In the administration of and compliance with this
9 subsection, the Department and persons who are subject to this
10 subsection (i) have the same rights, remedies, privileges,
11 immunities, powers, and duties, (ii) are subject to the same
12 conditions, restrictions, limitations, penalties, and
13 definitions of terms, and (iii) shall employ the same modes of
14 procedure as are set forth in Sections 1 through 1o, 2 through
15 2-70 (in respect to all provisions contained in those Sections
16 other than the State rate of tax), 2a through 2h, 3 (except as
17 to the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
19 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and
20 all provisions of the Uniform Penalty and Interest Act as if
21 those provisions were set forth in this subsection.

22 Persons subject to any tax imposed under this Section may
23 reimburse themselves for their seller's tax liability
24 hereunder by separately stating the tax as an additional
25 charge, which charge may be stated in combination in a single
26 amount with State taxes that sellers are required to collect

1 under the Use Tax Act, under any bracket schedules the
2 Department may prescribe.

3 If a tax is imposed under this subsection (a), a tax shall
4 also be imposed under subsection (b) of this Section.

5 (b) If a tax has been imposed under subsection (a), a flood
6 prevention service occupation tax shall also be imposed upon
7 all persons engaged within the territory of the district in the
8 business of making sales of service, who, as an incident to
9 making the sales of service, transfer tangible personal
10 property, either in the form of tangible personal property or
11 in the form of real estate as an incident to a sale of service
12 to provide revenue to pay the costs of providing emergency
13 levee repair and flood prevention and to secure the payment of
14 bonds, notes, and other evidences of indebtedness issued under
15 this Act for a period not to exceed 25 years or as required to
16 repay the bonds, notes, and other evidences of indebtedness.
17 The tax rate shall be 0.25% of the selling price of all
18 tangible personal property transferred.

19 The tax imposed under this subsection and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 subsection; to collect all taxes and penalties due hereunder;
24 to dispose of taxes and penalties collected in the manner
25 hereinafter provided; and to determine all rights to credit
26 memoranda arising on account of the erroneous payment of tax or

1 penalty hereunder.

2 In the administration of and compliance with this
3 subsection, the Department and persons who are subject to this
4 subsection shall (i) have the same rights, remedies,
5 privileges, immunities, powers, and duties, (ii) be subject to
6 the same conditions, restrictions, limitations, penalties, and
7 definitions of terms, and (iii) employ the same modes of
8 procedure as are set forth in Sections 2 (except that the
9 reference to State in the definition of supplier maintaining a
10 place of business in this State means the district), 2a through
11 2d, 3 through 3-50 (in respect to all provisions contained in
12 those Sections other than the State rate of tax), 4 (except
13 that the reference to the State shall be to the district), 5,
14 7, 8 (except that the jurisdiction to which the tax is a debt
15 to the extent indicated in that Section 8 is the district), 9
16 (except as to the disposition of taxes and penalties
17 collected), 10, 11, 12 (except the reference therein to Section
18 2b of the Retailers' Occupation Tax Act), 13 (except that any
19 reference to the State means the district), Section 15, 16, 17,
20 18, 19, and 20 of the Service Occupation Tax Act and all
21 provisions of the Uniform Penalty and Interest Act, as fully as
22 if those provisions were set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, that charge may be stated in

1 combination in a single amount with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, under
3 any bracket schedules the Department may prescribe.

4 (c) The taxes imposed in subsections (a) and (b) may not be
5 imposed on personal property titled or registered with an
6 agency of the State; food for human consumption that is to be
7 consumed off the premises where it is sold (other than
8 alcoholic beverages, soft drinks, and food that has been
9 prepared for immediate consumption); prescription and
10 non-prescription medicines, drugs, and medical appliances;
11 modifications to a motor vehicle for the purpose of rendering
12 it usable by a disabled person; or insulin, urine testing
13 materials, and syringes and needles used by diabetics.

14 (d) Nothing in this Section shall be construed to authorize
15 the district to impose a tax upon the privilege of engaging in
16 any business that under the Constitution of the United States
17 may not be made the subject of taxation by the State.

18 (e) The certificate of registration that is issued by the
19 Department to a retailer under the Retailers' Occupation Tax
20 Act or a serviceman under the Service Occupation Tax Act
21 permits the retailer or serviceman to engage in a business that
22 is taxable without registering separately with the Department
23 under an ordinance or resolution under this Section.

24 (f) The Department shall immediately pay over to the State
25 Treasurer, ex officio, as trustee, all taxes and penalties
26 collected under this Section to be deposited into the Flood

1 Prevention Occupation Tax Fund, which shall be an
2 unappropriated trust fund held outside the State treasury.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the STAR Bonds
8 Financing Act, collected under this Section during the second
9 preceding calendar month for sales within a STAR bond district.
10 The Department shall make this certification only if the flood
11 prevention district imposes a tax on real property as provided
12 in the definition of "local sales taxes" under the STAR Bonds
13 Financing Act.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on ~~on~~ or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the counties from which
18 retailers or servicemen have paid taxes or penalties to the
19 Department during the second preceding calendar month. The
20 amount to be paid to each county is equal to the amount (not
21 including credit memoranda) collected from the county under
22 this Section during the second preceding calendar month by the
23 Department, (i) less 2% of that amount, which shall be
24 deposited into the Tax Compliance and Administration Fund and
25 shall be used by the Department in administering and enforcing
26 the provisions of this Section on behalf of the county, (ii)

1 plus an amount that the Department determines is necessary to
2 offset any amounts that were erroneously paid to a different
3 taxing body; (iii) less an amount equal to the amount of
4 refunds made during the second preceding calendar month by the
5 Department on behalf of the county; ~~and~~ (iv) less any amount
6 that the Department determines is necessary to offset any
7 amounts that were payable to a different taxing body but were
8 erroneously paid to the county; and (v) less any amounts that
9 are transferred to the STAR Bonds Revenue Fund. When certifying
10 the amount of a monthly disbursement to a county under this
11 Section, the Department shall increase or decrease the amounts
12 by an amount necessary to offset any miscalculation of previous
13 disbursements within the previous 6 months from the time a
14 miscalculation is discovered.

15 Within 10 days after receipt by the Comptroller from the
16 Department of the disbursement certification to the counties
17 provided for in this Section, the Comptroller shall cause the
18 orders to be drawn for the respective amounts in accordance
19 with directions contained in the certification.

20 If the Department determines that a refund should be made
21 under this Section to a claimant instead of issuing a credit
22 memorandum, then the Department shall notify the Comptroller,
23 who shall cause the order to be drawn for the amount specified
24 and to the person named in the notification from the
25 Department. The refund shall be paid by the Treasurer out of
26 the Flood Prevention Occupation Tax Fund.

1 (g) If a county imposes a tax under this Section, then the
2 county board shall, by ordinance, discontinue the tax upon the
3 payment of all indebtedness of the flood prevention district.
4 The tax shall not be discontinued until all indebtedness of the
5 District has been paid.

6 (h) Any ordinance imposing the tax under this Section, or
7 any ordinance that discontinues the tax, must be certified by
8 the county clerk and filed with the Illinois Department of
9 Revenue either (i) on or before the first day of April,
10 whereupon the Department shall proceed to administer and
11 enforce the tax or change in the rate as of the first day of
12 July next following the filing; or (ii) on or before the first
13 day of October, whereupon the Department shall proceed to
14 administer and enforce the tax or change in the rate as of the
15 first day of January next following the filing.

16 (j) County Flood Prevention Occupation Tax Fund. All
17 proceeds received by a county from a tax distribution under
18 this Section must be maintained in a special fund known as the
19 [name of county] flood prevention occupation tax fund. The
20 county shall, at the direction of the flood prevention
21 district, use moneys in the fund to pay the costs of providing
22 emergency levee repair and flood prevention and to pay bonds,
23 notes, and other evidences of indebtedness issued under this
24 Act.

25 (k) This Section may be cited as the Flood Prevention
26 Occupation Tax Law.

1 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08.)

2 Section 85. The Metro-East Park and Recreation District Act
3 is amended by changing Section 30 as follows:

4 (70 ILCS 1605/30)

5 Sec. 30. Taxes.

6 (a) The board shall impose a tax upon all persons engaged
7 in the business of selling tangible personal property, other
8 than personal property titled or registered with an agency of
9 this State's government, at retail in the District on the gross
10 receipts from the sales made in the course of business. This
11 tax shall be imposed only at the rate of one-tenth of one per
12 cent.

13 This additional tax may not be imposed on the sales of food
14 for human consumption that is to be consumed off the premises
15 where it is sold (other than alcoholic beverages, soft drinks,
16 and food which has been prepared for immediate consumption) and
17 prescription and non-prescription medicines, drugs, medical
18 appliances, and insulin, urine testing materials, syringes,
19 and needles used by diabetics. The tax imposed by the Board
20 under this Section and all civil penalties that may be assessed
21 as an incident of the tax shall be collected and enforced by
22 the Department of Revenue. The certificate of registration that
23 is issued by the Department to a retailer under the Retailers'
24 Occupation Tax Act shall permit the retailer to engage in a

1 business that is taxable without registering separately with
2 the Department under an ordinance or resolution under this
3 Section. The Department has full power to administer and
4 enforce this Section, to collect all taxes and penalties due
5 under this Section, to dispose of taxes and penalties so
6 collected in the manner provided in this Section, and to
7 determine all rights to credit memoranda arising on account of
8 the erroneous payment of a tax or penalty under this Section.
9 In the administration of and compliance with this Section, the
10 Department and persons who are subject to this Section shall
11 (i) have the same rights, remedies, privileges, immunities,
12 powers, and duties, (ii) be subject to the same conditions,
13 restrictions, limitations, penalties, and definitions of
14 terms, and (iii) employ the same modes of procedure as are
15 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
16 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
17 in those Sections other than the State rate of tax), 2-15
18 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
19 transaction returns and quarter monthly payments), 4, 5, 5a,
20 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
21 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
22 and the Uniform Penalty and Interest Act as if those provisions
23 were set forth in this Section.

24 Persons subject to any tax imposed under the authority
25 granted in this Section may reimburse themselves for their
26 sellers' tax liability by separately stating the tax as an

1 additional charge, which charge may be stated in combination,
2 in a single amount, with State tax which sellers are required
3 to collect under the Use Tax Act, pursuant to such bracketed
4 schedules as the Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this Section to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order to be drawn for the
9 amount specified and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the State Metro-East Park and Recreation
12 District Fund.

13 (b) If a tax has been imposed under subsection (a), a
14 service occupation tax shall also be imposed at the same rate
15 upon all persons engaged, in the District, in the business of
16 making sales of service, who, as an incident to making those
17 sales of service, transfer tangible personal property within
18 the District as an incident to a sale of service. This tax may
19 not be imposed on sales of food for human consumption that is
20 to be consumed off the premises where it is sold (other than
21 alcoholic beverages, soft drinks, and food prepared for
22 immediate consumption) and prescription and non-prescription
23 medicines, drugs, medical appliances, and insulin, urine
24 testing materials, syringes, and needles used by diabetics. The
25 tax imposed under this subsection and all civil penalties that
26 may be assessed as an incident thereof shall be collected and

1 enforced by the Department of Revenue. The Department has full
2 power to administer and enforce this subsection; to collect all
3 taxes and penalties due hereunder; to dispose of taxes and
4 penalties so collected in the manner hereinafter provided; and
5 to determine all rights to credit memoranda arising on account
6 of the erroneous payment of tax or penalty hereunder. In the
7 administration of, and compliance with this subsection, the
8 Department and persons who are subject to this paragraph shall
9 (i) have the same rights, remedies, privileges, immunities,
10 powers, and duties, (ii) be subject to the same conditions,
11 restrictions, limitations, penalties, exclusions, exemptions,
12 and definitions of terms, and (iii) employ the same modes of
13 procedure as are prescribed in Sections 2 (except that the
14 reference to State in the definition of supplier maintaining a
15 place of business in this State shall mean the District), 2a,
16 2b, 2c, 3 through 3-50 (in respect to all provisions therein
17 other than the State rate of tax), 4 (except that the reference
18 to the State shall be to the District), 5, 7, 8 (except that
19 the jurisdiction to which the tax shall be a debt to the extent
20 indicated in that Section 8 shall be the District), 9 (except
21 as to the disposition of taxes and penalties collected), 10,
22 11, 12 (except the reference therein to Section 2b of the
23 Retailers' Occupation Tax Act), 13 (except that any reference
24 to the State shall mean the District), Sections 15, 16, 17, 18,
25 19 and 20 of the Service Occupation Tax Act and the Uniform
26 Penalty and Interest Act, as fully as if those provisions were

1 set forth herein.

2 Persons subject to any tax imposed under the authority
3 granted in this subsection may reimburse themselves for their
4 serviceman's tax liability by separately stating the tax as an
5 additional charge, which charge may be stated in combination,
6 in a single amount, with State tax that servicemen are
7 authorized to collect under the Service Use Tax Act, in
8 accordance with such bracket schedules as the Department may
9 prescribe.

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant to be drawn for the
14 amount specified, and to the person named, in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the State Metro-East Park and Recreation
17 District Fund.

18 Nothing in this subsection shall be construed to authorize
19 the board to impose a tax upon the privilege of engaging in any
20 business which under the Constitution of the United States may
21 not be made the subject of taxation by the State.

22 (c) The Department shall immediately pay over to the State
23 Treasurer, ex officio, as trustee, all taxes and penalties
24 collected under this Section to be deposited into the State
25 Metro-East Park and Recreation District Fund, which shall be an
26 unappropriated trust fund held outside of the State treasury.

1 As soon as possible after the first day of each month,
2 beginning January 1, 2011, upon certification of the Department
3 of Revenue, the Comptroller shall order transferred, and the
4 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
5 local sales tax increment, as defined in the STAR Bonds
6 Financing Act, collected under this Section during the second
7 preceding calendar month for sales within a STAR bond district.
8 The Department shall make this certification only if the Metro
9 East Park and Recreation District imposes a tax on real
10 property as provided in the definition of "local sales taxes"
11 under the STAR Bonds Financing Act.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on ~~on~~ or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money pursuant to Section 35 of
16 this Act to the District from which retailers have paid taxes
17 or penalties to the Department during the second preceding
18 calendar month. The amount to be paid to the District shall be
19 the amount (not including credit memoranda) collected under
20 this Section during the second preceding calendar month by the
21 Department plus an amount the Department determines is
22 necessary to offset any amounts that were erroneously paid to a
23 different taxing body, and not including (i) an amount equal to
24 the amount of refunds made during the second preceding calendar
25 month by the Department on behalf of the District, ~~and~~ (ii) any
26 amount that the Department determines is necessary to offset

1 any amounts that were payable to a different taxing body but
2 were erroneously paid to the District, and (iii) any amounts
3 that are transferred to the STAR Bonds Revenue Fund. Within 10
4 days after receipt by the Comptroller of the disbursement
5 certification to the District provided for in this Section to
6 be given to the Comptroller by the Department, the Comptroller
7 shall cause the orders to be drawn for the respective amounts
8 in accordance with directions contained in the certification.

9 (d) For the purpose of determining whether a tax authorized
10 under this Section is applicable, a retail sale by a producer
11 of coal or another mineral mined in Illinois is a sale at
12 retail at the place where the coal or other mineral mined in
13 Illinois is extracted from the earth. This paragraph does not
14 apply to coal or another mineral when it is delivered or
15 shipped by the seller to the purchaser at a point outside
16 Illinois so that the sale is exempt under the United States
17 Constitution as a sale in interstate or foreign commerce.

18 (e) Nothing in this Section shall be construed to authorize
19 the board to impose a tax upon the privilege of engaging in any
20 business that under the Constitution of the United States may
21 not be made the subject of taxation by this State.

22 (f) An ordinance imposing a tax under this Section or an
23 ordinance extending the imposition of a tax to an additional
24 county or counties shall be certified by the board and filed
25 with the Department of Revenue either (i) on or before the
26 first day of April, whereupon the Department shall proceed to

1 administer and enforce the tax as of the first day of July next
2 following the filing; or (ii) on or before the first day of
3 October, whereupon the Department shall proceed to administer
4 and enforce the tax as of the first day of January next
5 following the filing.

6 (g) When certifying the amount of a monthly disbursement to
7 the District under this Section, the Department shall increase
8 or decrease the amounts by an amount necessary to offset any
9 misallocation of previous disbursements. The offset amount
10 shall be the amount erroneously disbursed within the previous 6
11 months from the time a misallocation is discovered.

12 (Source: P.A. 91-103, eff. 7-13-99.)

13 Section 90. The Local Mass Transit District Act is amended
14 by changing Section 5.01 as follows:

15 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

16 Sec. 5.01. Metro East Mass Transit District; use and
17 occupation taxes.

18 (a) The Board of Trustees of any Metro East Mass Transit
19 District may, by ordinance adopted with the concurrence of
20 two-thirds of the then trustees, impose throughout the District
21 any or all of the taxes and fees provided in this Section. All
22 taxes and fees imposed under this Section shall be used only
23 for public mass transportation systems, and the amount used to
24 provide mass transit service to unserved areas of the District

1 shall be in the same proportion to the total proceeds as the
2 number of persons residing in the unserved areas is to the
3 total population of the District. Except as otherwise provided
4 in this Act, taxes imposed under this Section and civil
5 penalties imposed incident thereto shall be collected and
6 enforced by the State Department of Revenue. The Department
7 shall have the power to administer and enforce the taxes and to
8 determine all rights for refunds for erroneous payments of the
9 taxes.

10 (b) The Board may impose a Metro East Mass Transit District
11 Retailers' Occupation Tax upon all persons engaged in the
12 business of selling tangible personal property at retail in the
13 district at a rate of 1/4 of 1%, or as authorized under
14 subsection (d-5) of this Section, of the gross receipts from
15 the sales made in the course of such business within the
16 district. The tax imposed under this Section and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 Section; to collect all taxes and penalties so collected in the
21 manner hereinafter provided; and to determine all rights to
22 credit memoranda arising on account of the erroneous payment of
23 tax or penalty hereunder. In the administration of, and
24 compliance with, this Section, the Department and persons who
25 are subject to this Section shall have the same rights,
26 remedies, privileges, immunities, powers and duties, and be

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

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

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

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

3 For the purpose of determining whether a tax authorized
4 under this Section is applicable, a retail sale, by a producer
5 of coal or other mineral mined in Illinois, is a sale at retail
6 at the place where the coal or other mineral mined in Illinois
7 is extracted from the earth. This paragraph does not apply to
8 coal or other mineral when it is delivered or shipped by the
9 seller to the purchaser at a point outside Illinois so that the
10 sale is exempt under the Federal Constitution as a sale in
11 interstate or foreign commerce.

12 No tax shall be imposed or collected under this subsection
13 on the sale of a motor vehicle in this State to a resident of
14 another state if that motor vehicle will not be titled in this
15 State.

16 Nothing in this Section shall be construed to authorize the
17 Metro East Mass Transit District to impose a tax upon the
18 privilege of engaging in any business which under the
19 Constitution of the United States may not be made the subject
20 of taxation by this State.

21 (c) If a tax has been imposed under subsection (b), a Metro
22 East Mass Transit District Service Occupation Tax shall also be
23 imposed upon all persons engaged, in the district, in the
24 business of making sales of service, who, as an incident to
25 making those sales of service, transfer tangible personal
26 property within the District, either in the form of tangible

1 personal property or in the form of real estate as an incident
2 to a sale of service. The tax rate shall be 1/4%, or as
3 authorized under subsection (d-5) of this Section, of the
4 selling price of tangible personal property so transferred
5 within the district. The tax imposed under this paragraph and
6 all civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this paragraph; to collect all taxes and penalties due
10 hereunder; to dispose of taxes and penalties so collected in
11 the manner hereinafter provided; and to determine all rights to
12 credit memoranda arising on account of the erroneous payment of
13 tax or penalty hereunder. In the administration of, and
14 compliance with this paragraph, the Department and persons who
15 are subject to this paragraph shall have the same rights,
16 remedies, privileges, immunities, powers and duties, and be
17 subject to the same conditions, restrictions, limitations,
18 penalties, exclusions, exemptions and definitions of terms and
19 employ the same modes of procedure as are prescribed in
20 Sections 1a-1, 2 (except that the reference to State in the
21 definition of supplier maintaining a place of business in this
22 State shall mean the Authority), 2a, 3 through 3-50 (in respect
23 to all provisions therein other than the State rate of tax), 4
24 (except that the reference to the State shall be to the
25 Authority), 5, 7, 8 (except that the jurisdiction to which the
26 tax shall be a debt to the extent indicated in that Section 8

1 shall be the District), 9 (except as to the disposition of
2 taxes and penalties collected, and except that the returned
3 merchandise credit for this tax may not be taken against any
4 State tax), 10, 11, 12 (except the reference therein to Section
5 2b of the Retailers' Occupation Tax Act), 13 (except that any
6 reference to the State shall mean the District), the first
7 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
8 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
9 Interest Act, as fully as if those provisions were set forth
10 herein.

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

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

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

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

1 The Department shall have full power to administer and
2 enforce this paragraph; to collect all taxes, penalties and
3 interest due hereunder; to dispose of taxes, penalties and
4 interest so collected in the manner hereinafter provided; and
5 to determine all rights to credit memoranda or refunds arising
6 on account of the erroneous payment of tax, penalty or interest
7 hereunder. In the administration of, and compliance with, this
8 paragraph, the Department and persons who are subject to this
9 paragraph shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties, exclusions,
12 exemptions and definitions of terms and employ the same modes
13 of procedure, as are prescribed in Sections 2 (except the
14 definition of "retailer maintaining a place of business in this
15 State"), 3 through 3-80 (except provisions pertaining to the
16 State rate of tax, and except provisions concerning collection
17 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
18 19 (except the portions pertaining to claims by retailers and
19 except the last paragraph concerning refunds), 20, 21 and 22 of
20 the Use Tax Act and Section 3-7 of the Uniform Penalty and
21 Interest Act, that are not inconsistent with this paragraph, as
22 fully as if those provisions were set forth herein.

23 Whenever the Department determines that a refund should be
24 made under this paragraph to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the order to be drawn for the

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Metro East Mass Transit District tax fund
4 established under paragraph (h) of this Section.

5 (d-5) (A) The county board of any county participating in
6 the Metro East Mass Transit District may authorize, by
7 ordinance, a referendum on the question of whether the tax
8 rates for the Metro East Mass Transit District Retailers'
9 Occupation Tax, the Metro East Mass Transit District Service
10 Occupation Tax, and the Metro East Mass Transit District Use
11 Tax for the District should be increased from 0.25% to 0.75%.
12 Upon adopting the ordinance, the county board shall certify the
13 proposition to the proper election officials who shall submit
14 the proposition to the voters of the District at the next
15 election, in accordance with the general election law.

16 The proposition shall be in substantially the following
17 form:

18 Shall the tax rates for the Metro East Mass Transit
19 District Retailers' Occupation Tax, the Metro East Mass
20 Transit District Service Occupation Tax, and the Metro East
21 Mass Transit District Use Tax be increased from 0.25% to
22 0.75%?

23 (B) Two thousand five hundred electors of any Metro East
24 Mass Transit District may petition the Chief Judge of the
25 Circuit Court, or any judge of that Circuit designated by the
26 Chief Judge, in which that District is located to cause to be

1 submitted to a vote of the electors the question whether the
2 tax rates for the Metro East Mass Transit District Retailers'
3 Occupation Tax, the Metro East Mass Transit District Service
4 Occupation Tax, and the Metro East Mass Transit District Use
5 Tax for the District should be increased from 0.25% to 0.75%.

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

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

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

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

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

1 Name Address, with Street and Number.
2
3

4 (C) The votes shall be recorded as "YES" or "NO". If a
5 majority of all votes cast on the proposition are for the
6 increase in the tax rates, the Metro East Mass Transit District
7 shall begin imposing the increased rates in the District, and
8 the Department of Revenue shall begin collecting the increased
9 amounts, as provided under this Section. An ordinance imposing
10 or discontinuing a tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of
13 October, whereupon the Department shall proceed to administer
14 and enforce this Section as of the first day of January next
15 following the adoption and filing, or on or before the first
16 day of April, whereupon the Department shall proceed to
17 administer and enforce this Section as of the first day of July
18 next following the adoption and filing.

19 (D) If the voters have approved a referendum under this
20 subsection, before November 1, 1994, to increase the tax rate
21 under this subsection, the Metro East Mass Transit District
22 Board of Trustees may adopt by a majority vote an ordinance at
23 any time before January 1, 1995 that excludes from the rate
24 increase tangible personal property that is titled or
25 registered with an agency of this State's government. The
26 ordinance excluding titled or registered tangible personal

1 property from the rate increase must be filed with the
2 Department at least 15 days before its effective date. At any
3 time after adopting an ordinance excluding from the rate
4 increase tangible personal property that is titled or
5 registered with an agency of this State's government, the Metro
6 East Mass Transit District Board of Trustees may adopt an
7 ordinance applying the rate increase to that tangible personal
8 property. The ordinance shall be adopted, and a certified copy
9 of that ordinance shall be filed with the Department, on or
10 before October 1, whereupon the Department shall proceed to
11 administer and enforce the rate increase against tangible
12 personal property titled or registered with an agency of this
13 State's government as of the following January 1. After
14 December 31, 1995, any reimposed rate increase in effect under
15 this subsection shall no longer apply to tangible personal
16 property titled or registered with an agency of this State's
17 government. Beginning January 1, 1996, the Board of Trustees of
18 any Metro East Mass Transit District may never reimpose a
19 previously excluded tax rate increase on tangible personal
20 property titled or registered with an agency of this State's
21 government. After July 1, 2004, if the voters have approved a
22 referendum under this subsection to increase the tax rate under
23 this subsection, the Metro East Mass Transit District Board of
24 Trustees may adopt by a majority vote an ordinance that
25 excludes from the rate increase tangible personal property that
26 is titled or registered with an agency of this State's

1 government. The ordinance excluding titled or registered
2 tangible personal property from the rate increase shall be
3 adopted, and a certified copy of that ordinance shall be filed
4 with the Department on or before October 1, whereupon the
5 Department shall administer and enforce this exclusion from the
6 rate increase as of the following January 1, or on or before
7 April 1, whereupon the Department shall administer and enforce
8 this exclusion from the rate increase as of the following July
9 1. The Board of Trustees of any Metro East Mass Transit
10 District may never reimpose a previously excluded tax rate
11 increase on tangible personal property titled or registered
12 with an agency of this State's government.

13 (d-6) If the Board of Trustees of any Metro East Mass
14 Transit District has imposed a rate increase under subsection
15 (d-5) and filed an ordinance with the Department of Revenue
16 excluding titled property from the higher rate, then that Board
17 may, by ordinance adopted with the concurrence of two-thirds of
18 the then trustees, impose throughout the District a fee. The
19 fee on the excluded property shall not exceed \$20 per retail
20 transaction or an amount equal to the amount of tax excluded,
21 whichever is less, on tangible personal property that is titled
22 or registered with an agency of this State's government.
23 Beginning July 1, 2004, the fee shall apply only to titled
24 property that is subject to either the Metro East Mass Transit
25 District Retailers' Occupation Tax or the Metro East Mass
26 Transit District Service Occupation Tax. No fee shall be

1 imposed or collected under this subsection on the sale of a
2 motor vehicle in this State to a resident of another state if
3 that motor vehicle will not be titled in this State.

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

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

26 (d-8) No item of titled property shall be subject to both

1 the higher rate approved by referendum, as authorized under
2 subsection (d-5), and any fee imposed under subsection (d-6) or
3 (d-7).

4 (d-9) (Blank).

5 (d-10) (Blank).

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

15 (f) (Blank).

16 (g) Any ordinance imposing or discontinuing any tax under
17 this Section shall be adopted and a certified copy thereof
18 filed with the Department on or before June 1, whereupon the
19 Department of Revenue shall proceed to administer and enforce
20 this Section on behalf of the Metro East Mass Transit District
21 as of September 1 next following such adoption and filing.
22 Beginning January 1, 1992, an ordinance or resolution imposing
23 or discontinuing the tax hereunder shall be adopted and a
24 certified copy thereof filed with the Department on or before
25 the first day of July, whereupon the Department shall proceed
26 to administer and enforce this Section as of the first day of

1 October next following such adoption and filing. Beginning
2 January 1, 1993, except as provided in subsection (d-5) of this
3 Section, an ordinance or resolution imposing or discontinuing
4 the tax hereunder shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of
6 October, whereupon the Department shall proceed to administer
7 and enforce this Section as of the first day of January next
8 following such adoption and filing, or, beginning January 1,
9 2004, on or before the first day of April, whereupon the
10 Department shall proceed to administer and enforce this Section
11 as of the first day of July next following the adoption and
12 filing.

13 (h) Except as provided in subsection (d-7.1), the State
14 Department of Revenue shall, upon collecting any taxes as
15 provided in this Section, pay the taxes over to the State
16 Treasurer as trustee for the District. The taxes shall be held
17 in a trust fund outside the State Treasury.

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the STAR Bonds
23 Financing Act, collected under this Section during the second
24 preceding calendar month for sales within a STAR bond district.
25 The Department shall make this certification only if the local
26 mass transit district imposes a tax on real property as

1 provided in the definition of "local sales taxes" under the
2 STAR Bonds Financing Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or ~~On~~ or before the 25th day of each calendar month, the State
5 Department of Revenue shall prepare and certify to the
6 Comptroller of the State of Illinois the amount to be paid to
7 the District, which shall be the then balance in the fund, less
8 any amount determined by the Department to be necessary for the
9 payment of refunds, and less any amounts that are transferred
10 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
11 the Comptroller of the certification of the amount to be paid
12 to the District, the Comptroller shall cause an order to be
13 drawn for payment for the amount in accordance with the
14 direction in the certification.

15 (Source: P.A. 95-331, eff. 8-21-07; 96-328, eff. 8-11-09.)

16 Section 100. The Regional Transportation Authority Act is
17 amended by changing Section 4.03 as follows:

18 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

19 (Text of Section before amendment by P.A. 96-339)

20 Sec. 4.03. Taxes.

21 (a) In order to carry out any of the powers or purposes of
22 the Authority, the Board may by ordinance adopted with the
23 concurrence of 12 of the then Directors, impose throughout the
24 metropolitan region any or all of the taxes provided in this

1 Section. Except as otherwise provided in this Act, taxes
2 imposed under this Section and civil penalties imposed incident
3 thereto shall be collected and enforced by the State Department
4 of Revenue. The Department shall have the power to administer
5 and enforce the taxes and to determine all rights for refunds
6 for erroneous payments of the taxes. Nothing in this amendatory
7 Act of the 95th General Assembly is intended to invalidate any
8 taxes currently imposed by the Authority. The increased vote
9 requirements to impose a tax shall only apply to actions taken
10 after the effective date of this amendatory Act of the 95th
11 General Assembly.

12 (b) The Board may impose a public transportation tax upon
13 all persons engaged in the metropolitan region in the business
14 of selling at retail motor fuel for operation of motor vehicles
15 upon public highways. The tax shall be at a rate not to exceed
16 5% of the gross receipts from the sales of motor fuel in the
17 course of the business. As used in this Act, the term "motor
18 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
19 The Board may provide for details of the tax. The provisions of
20 any tax shall conform, as closely as may be practicable, to the
21 provisions of the Municipal Retailers Occupation Tax Act,
22 including without limitation, conformity to penalties with
23 respect to the tax imposed and as to the powers of the State
24 Department of Revenue to promulgate and enforce rules and
25 regulations relating to the administration and enforcement of
26 the provisions of the tax imposed, except that reference in the

1 Act to any municipality shall refer to the Authority and the
2 tax shall be imposed only with regard to receipts from sales of
3 motor fuel in the metropolitan region, at rates as limited by
4 this Section.

5 (c) In connection with the tax imposed under paragraph (b)
6 of this Section the Board may impose a tax upon the privilege
7 of using in the metropolitan region motor fuel for the
8 operation of a motor vehicle upon public highways, the tax to
9 be at a rate not in excess of the rate of tax imposed under
10 paragraph (b) of this Section. The Board may provide for
11 details of the tax.

12 (d) The Board may impose a motor vehicle parking tax upon
13 the privilege of parking motor vehicles at off-street parking
14 facilities in the metropolitan region at which a fee is
15 charged, and may provide for reasonable classifications in and
16 exemptions to the tax, for administration and enforcement
17 thereof and for civil penalties and refunds thereunder and may
18 provide criminal penalties thereunder, the maximum penalties
19 not to exceed the maximum criminal penalties provided in the
20 Retailers' Occupation Tax Act. The Authority may collect and
21 enforce the tax itself or by contract with any unit of local
22 government. The State Department of Revenue shall have no
23 responsibility for the collection and enforcement unless the
24 Department agrees with the Authority to undertake the
25 collection and enforcement. As used in this paragraph, the term
26 "parking facility" means a parking area or structure having

1 parking spaces for more than 2 vehicles at which motor vehicles
2 are permitted to park in return for an hourly, daily, or other
3 periodic fee, whether publicly or privately owned, but does not
4 include parking spaces on a public street, the use of which is
5 regulated by parking meters.

6 (e) The Board may impose a Regional Transportation
7 Authority Retailers' Occupation Tax upon all persons engaged in
8 the business of selling tangible personal property at retail in
9 the metropolitan region. In Cook County the tax rate shall be
10 1.25% of the gross receipts from sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks and food that
13 has been prepared for immediate consumption) and prescription
14 and nonprescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes and needles used by
16 diabetics, and 1% of the gross receipts from other taxable
17 sales made in the course of that business. In DuPage, Kane,
18 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
19 of the gross receipts from all taxable sales made in the course
20 of that business. The tax imposed under this Section and all
21 civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this Section; to collect all taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

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

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

23 Whenever the Department determines that a refund should be
24 made under this Section to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

5 If a tax is imposed under this subsection (e), a tax shall
6 also be imposed under subsections (f) and (g) of this Section.

7 For the purpose of determining whether a tax authorized
8 under this Section is applicable, a retail sale by a producer
9 of coal or other mineral mined in Illinois, is a sale at retail
10 at the place where the coal or other mineral mined in Illinois
11 is extracted from the earth. This paragraph does not apply to
12 coal or other mineral when it is delivered or shipped by the
13 seller to the purchaser at a point outside Illinois so that the
14 sale is exempt under the Federal Constitution as a sale in
15 interstate or foreign commerce.

16 No tax shall be imposed or collected under this subsection
17 on the sale of a motor vehicle in this State to a resident of
18 another state if that motor vehicle will not be titled in this
19 State.

20 Nothing in this Section shall be construed to authorize the
21 Regional Transportation Authority to impose a tax upon the
22 privilege of engaging in any business that under the
23 Constitution of the United States may not be made the subject
24 of taxation by this State.

25 (f) If a tax has been imposed under paragraph (e), a
26 Regional Transportation Authority Service Occupation Tax shall

1 also be imposed upon all persons engaged, in the metropolitan
2 region in the business of making sales of service, who as an
3 incident to making the sales of service, transfer tangible
4 personal property within the metropolitan region, either in the
5 form of tangible personal property or in the form of real
6 estate as an incident to a sale of service. In Cook County, the
7 tax rate shall be: (1) 1.25% of the serviceman's cost price of
8 food prepared for immediate consumption and transferred
9 incident to a sale of service subject to the service occupation
10 tax by an entity licensed under the Hospital Licensing Act or
11 the Nursing Home Care Act that is located in the metropolitan
12 region; (2) 1.25% of the selling price of food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks and food that
15 has been prepared for immediate consumption) and prescription
16 and nonprescription medicines, drugs, medical appliances and
17 insulin, urine testing materials, syringes and needles used by
18 diabetics; and (3) 1% of the selling price from other taxable
19 sales of tangible personal property transferred. In DuPage,
20 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
21 of the selling price of all tangible personal property
22 transferred.

23 The tax imposed under this paragraph and all civil
24 penalties that may be assessed as an incident thereof shall be
25 collected and enforced by the State Department of Revenue. The
26 Department shall have full power to administer and enforce this

1 paragraph; to collect all taxes and penalties due hereunder; to
2 dispose of taxes and penalties collected in the manner
3 hereinafter provided; and to determine all rights to credit
4 memoranda arising on account of the erroneous payment of tax or
5 penalty hereunder. In the administration of and compliance with
6 this paragraph, the Department and persons who are subject to
7 this paragraph shall have the same rights, remedies,
8 privileges, immunities, powers and duties, and be subject to
9 the same conditions, restrictions, limitations, penalties,
10 exclusions, exemptions and definitions of terms, and employ the
11 same modes of procedure, as are prescribed in Sections 1a-1, 2,
12 2a, 3 through 3-50 (in respect to all provisions therein other
13 than the State rate of tax), 4 (except that the reference to
14 the State shall be to the Authority), 5, 7, 8 (except that the
15 jurisdiction to which the tax shall be a debt to the extent
16 indicated in that Section 8 shall be the Authority), 9 (except
17 as to the disposition of taxes and penalties collected, and
18 except that the returned merchandise credit for this tax may
19 not be taken against any State tax), 10, 11, 12 (except the
20 reference therein to Section 2b of the Retailers' Occupation
21 Tax Act), 13 (except that any reference to the State shall mean
22 the Authority), the first paragraph of Section 15, 16, 17, 18,
23 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
24 the Uniform Penalty and Interest Act, as fully as if those
25 provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this paragraph may reimburse themselves for their
2 serviceman's tax liability hereunder by separately stating the
3 tax as an additional charge, that charge may be stated in
4 combination in a single amount with State tax that servicemen
5 are authorized to collect under the Service Use Tax Act, under
6 any bracket schedules the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this paragraph to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the warrant to be drawn for the
11 amount specified, and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the Regional Transportation Authority tax fund
14 established under paragraph (n) of this Section.

15 Nothing in this paragraph shall be construed to authorize
16 the Authority to impose a tax upon the privilege of engaging in
17 any business that under the Constitution of the United States
18 may not be made the subject of taxation by the State.

19 (g) If a tax has been imposed under paragraph (e), a tax
20 shall also be imposed upon the privilege of using in the
21 metropolitan region, any item of tangible personal property
22 that is purchased outside the metropolitan region at retail
23 from a retailer, and that is titled or registered with an
24 agency of this State's government. In Cook County the tax rate
25 shall be 1% of the selling price of the tangible personal
26 property, as "selling price" is defined in the Use Tax Act. In

1 DuPage, Kane, Lake, McHenry and Will counties the tax rate
2 shall be 0.75% of the selling price of the tangible personal
3 property, as "selling price" is defined in the Use Tax Act. The
4 tax shall be collected from persons whose Illinois address for
5 titling or registration purposes is given as being in the
6 metropolitan region. The tax shall be collected by the
7 Department of Revenue for the Regional Transportation
8 Authority. The tax must be paid to the State, or an exemption
9 determination must be obtained from the Department of Revenue,
10 before the title or certificate of registration for the
11 property may be issued. The tax or proof of exemption may be
12 transmitted to the Department by way of the State agency with
13 which, or the State officer with whom, the tangible personal
14 property must be titled or registered if the Department and the
15 State agency or State officer determine that this procedure
16 will expedite the processing of applications for title or
17 registration.

18 The Department shall have full power to administer and
19 enforce this paragraph; to collect all taxes, penalties and
20 interest due hereunder; to dispose of taxes, penalties and
21 interest collected in the manner hereinafter provided; and to
22 determine all rights to credit memoranda or refunds arising on
23 account of the erroneous payment of tax, penalty or interest
24 hereunder. In the administration of and compliance with this
25 paragraph, the Department and persons who are subject to this
26 paragraph shall have the same rights, remedies, privileges,

1 immunities, powers and duties, and be subject to the same
2 conditions, restrictions, limitations, penalties, exclusions,
3 exemptions and definitions of terms and employ the same modes
4 of procedure, as are prescribed in Sections 2 (except the
5 definition of "retailer maintaining a place of business in this
6 State"), 3 through 3-80 (except provisions pertaining to the
7 State rate of tax, and except provisions concerning collection
8 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
9 19 (except the portions pertaining to claims by retailers and
10 except the last paragraph concerning refunds), 20, 21 and 22 of
11 the Use Tax Act, and are not inconsistent with this paragraph,
12 as fully as if those provisions were set forth herein.

13 Whenever the Department determines that a refund should be
14 made under this paragraph to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the order to be drawn for the
17 amount specified, and to the person named in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the Regional Transportation Authority tax fund
20 established under paragraph (n) of this Section.

21 (h) The Authority may impose a replacement vehicle tax of
22 \$50 on any passenger car as defined in Section 1-157 of the
23 Illinois Vehicle Code purchased within the metropolitan region
24 by or on behalf of an insurance company to replace a passenger
25 car of an insured person in settlement of a total loss claim.
26 The tax imposed may not become effective before the first day

1 of the month following the passage of the ordinance imposing
2 the tax and receipt of a certified copy of the ordinance by the
3 Department of Revenue. The Department of Revenue shall collect
4 the tax for the Authority in accordance with Sections 3-2002
5 and 3-2003 of the Illinois Vehicle Code.

6 The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes collected
8 hereunder.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the STAR Bonds
14 Financing Act, collected under this Section during the second
15 preceding calendar month for sales within a STAR bond district.

16 After the monthly transfer to the STAR Bonds Revenue Fund,
17 on ~~or~~ or before the 25th day of each calendar month, the
18 Department shall prepare and certify to the Comptroller the
19 disbursement of stated sums of money to the Authority. The
20 amount to be paid to the Authority shall be the amount
21 collected hereunder during the second preceding calendar month
22 by the Department, less any amount determined by the Department
23 to be necessary for the payment of refunds, and less any
24 amounts that are transferred to the STAR Bonds Revenue Fund.

25 Within 10 days after receipt by the Comptroller of the
26 disbursement certification to the Authority provided for in

1 this Section to be given to the Comptroller by the Department,
2 the Comptroller shall cause the orders to be drawn for that
3 amount in accordance with the directions contained in the
4 certification.

5 (i) The Board may not impose any other taxes except as it
6 may from time to time be authorized by law to impose.

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

16 (k) The provisions of any tax imposed under paragraph (c)
17 of this Section shall conform as closely as may be practicable
18 to the provisions of the Use Tax Act, including without
19 limitation conformity as to penalties with respect to the tax
20 imposed and as to the powers of the State Department of Revenue
21 to promulgate and enforce rules and regulations relating to the
22 administration and enforcement of the provisions of the tax
23 imposed. The taxes shall be imposed only on use within the
24 metropolitan region and at rates as provided in the paragraph.

25 (l) The Board in imposing any tax as provided in paragraphs
26 (b) and (c) of this Section, shall, after seeking the advice of

1 the State Department of Revenue, provide means for retailers,
2 users or purchasers of motor fuel for purposes other than those
3 with regard to which the taxes may be imposed as provided in
4 those paragraphs to receive refunds of taxes improperly paid,
5 which provisions may be at variance with the refund provisions
6 as applicable under the Municipal Retailers Occupation Tax Act.
7 The State Department of Revenue may provide for certificates of
8 registration for users or purchasers of motor fuel for purposes
9 other than those with regard to which taxes may be imposed as
10 provided in paragraphs (b) and (c) of this Section to
11 facilitate the reporting and nontaxability of the exempt sales
12 or uses.

13 (m) Any ordinance imposing or discontinuing any tax under
14 this Section shall be adopted and a certified copy thereof
15 filed with the Department on or before June 1, whereupon the
16 Department of Revenue shall proceed to administer and enforce
17 this Section on behalf of the Regional Transportation Authority
18 as of September 1 next following such adoption and filing.
19 Beginning January 1, 1992, an ordinance or resolution imposing
20 or discontinuing the tax hereunder shall be adopted and a
21 certified copy thereof filed with the Department on or before
22 the first day of July, whereupon the Department shall proceed
23 to administer and enforce this Section as of the first day of
24 October next following such adoption and filing. Beginning
25 January 1, 1993, an ordinance or resolution imposing,
26 increasing, decreasing, or discontinuing the tax hereunder

1 shall be adopted and a certified copy thereof filed with the
2 Department, whereupon the Department shall proceed to
3 administer and enforce this Section as of the first day of the
4 first month to occur not less than 60 days following such
5 adoption and filing. Any ordinance or resolution of the
6 Authority imposing a tax under this Section and in effect on
7 August 1, 2007 shall remain in full force and effect and shall
8 be administered by the Department of Revenue under the terms
9 and conditions and rates of tax established by such ordinance
10 or resolution until the Department begins administering and
11 enforcing an increased tax under this Section as authorized by
12 this amendatory Act of the 95th General Assembly. The tax rates
13 authorized by this amendatory Act of the 95th General Assembly
14 are effective only if imposed by ordinance of the Authority.

15 (n) The State Department of Revenue shall, upon collecting
16 any taxes as provided in this Section, pay the taxes over to
17 the State Treasurer as trustee for the Authority. The taxes
18 shall be held in a trust fund outside the State Treasury. On or
19 before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois and to the Authority (i)
22 the amount of taxes collected in each County other than Cook
23 County in the metropolitan region, (ii) the amount of taxes
24 collected within the City of Chicago, and (iii) the amount
25 collected in that portion of Cook County outside of Chicago,
26 each amount less the amount necessary for the payment of

1 refunds to taxpayers located in those areas described in items
2 (i), (ii), and (iii). Within 10 days after receipt by the
3 Comptroller of the certification of the amounts, the
4 Comptroller shall cause an order to be drawn for the payment of
5 two-thirds of the amounts certified in item (i) of this
6 subsection to the Authority and one-third of the amounts
7 certified in item (i) of this subsection to the respective
8 counties other than Cook County and the amount certified in
9 items (ii) and (iii) of this subsection to the Authority.

10 In addition to the disbursement required by the preceding
11 paragraph, an allocation shall be made in July 1991 and each
12 year thereafter to the Regional Transportation Authority. The
13 allocation shall be made in an amount equal to the average
14 monthly distribution during the preceding calendar year
15 (excluding the 2 months of lowest receipts) and the allocation
16 shall include the amount of average monthly distribution from
17 the Regional Transportation Authority Occupation and Use Tax
18 Replacement Fund. The distribution made in July 1992 and each
19 year thereafter under this paragraph and the preceding
20 paragraph shall be reduced by the amount allocated and
21 disbursed under this paragraph in the preceding calendar year.
22 The Department of Revenue shall prepare and certify to the
23 Comptroller for disbursement the allocations made in
24 accordance with this paragraph.

25 (o) Failure to adopt a budget ordinance or otherwise to
26 comply with Section 4.01 of this Act or to adopt a Five-year

1 Capital Program or otherwise to comply with paragraph (b) of
2 Section 2.01 of this Act shall not affect the validity of any
3 tax imposed by the Authority otherwise in conformity with law.

4 (p) At no time shall a public transportation tax or motor
5 vehicle parking tax authorized under paragraphs (b), (c) and
6 (d) of this Section be in effect at the same time as any
7 retailers' occupation, use or service occupation tax
8 authorized under paragraphs (e), (f) and (g) of this Section is
9 in effect.

10 Any taxes imposed under the authority provided in
11 paragraphs (b), (c) and (d) shall remain in effect only until
12 the time as any tax authorized by paragraphs (e), (f) or (g) of
13 this Section are imposed and becomes effective. Once any tax
14 authorized by paragraphs (e), (f) or (g) is imposed the Board
15 may not reimpose taxes as authorized in paragraphs (b), (c) and
16 (d) of the Section unless any tax authorized by paragraphs (e),
17 (f) or (g) of this Section becomes ineffective by means other
18 than an ordinance of the Board.

19 (q) Any existing rights, remedies and obligations
20 (including enforcement by the Regional Transportation
21 Authority) arising under any tax imposed under paragraphs (b),
22 (c) or (d) of this Section shall not be affected by the
23 imposition of a tax under paragraphs (e), (f) or (g) of this
24 Section.

25 (Source: P.A. 95-708, eff. 1-18-08.)

1 (Text of Section after amendment by P.A. 96-339)

2 Sec. 4.03. Taxes.

3 (a) In order to carry out any of the powers or purposes of
4 the Authority, the Board may by ordinance adopted with the
5 concurrence of 12 of the then Directors, impose throughout the
6 metropolitan region any or all of the taxes provided in this
7 Section. Except as otherwise provided in this Act, taxes
8 imposed under this Section and civil penalties imposed incident
9 thereto shall be collected and enforced by the State Department
10 of Revenue. The Department shall have the power to administer
11 and enforce the taxes and to determine all rights for refunds
12 for erroneous payments of the taxes. Nothing in this amendatory
13 Act of the 95th General Assembly is intended to invalidate any
14 taxes currently imposed by the Authority. The increased vote
15 requirements to impose a tax shall only apply to actions taken
16 after the effective date of this amendatory Act of the 95th
17 General Assembly.

18 (b) The Board may impose a public transportation tax upon
19 all persons engaged in the metropolitan region in the business
20 of selling at retail motor fuel for operation of motor vehicles
21 upon public highways. The tax shall be at a rate not to exceed
22 5% of the gross receipts from the sales of motor fuel in the
23 course of the business. As used in this Act, the term "motor
24 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
25 The Board may provide for details of the tax. The provisions of
26 any tax shall conform, as closely as may be practicable, to the

1 provisions of the Municipal Retailers Occupation Tax Act,
2 including without limitation, conformity to penalties with
3 respect to the tax imposed and as to the powers of the State
4 Department of Revenue to promulgate and enforce rules and
5 regulations relating to the administration and enforcement of
6 the provisions of the tax imposed, except that reference in the
7 Act to any municipality shall refer to the Authority and the
8 tax shall be imposed only with regard to receipts from sales of
9 motor fuel in the metropolitan region, at rates as limited by
10 this Section.

11 (c) In connection with the tax imposed under paragraph (b)
12 of this Section the Board may impose a tax upon the privilege
13 of using in the metropolitan region motor fuel for the
14 operation of a motor vehicle upon public highways, the tax to
15 be at a rate not in excess of the rate of tax imposed under
16 paragraph (b) of this Section. The Board may provide for
17 details of the tax.

18 (d) The Board may impose a motor vehicle parking tax upon
19 the privilege of parking motor vehicles at off-street parking
20 facilities in the metropolitan region at which a fee is
21 charged, and may provide for reasonable classifications in and
22 exemptions to the tax, for administration and enforcement
23 thereof and for civil penalties and refunds thereunder and may
24 provide criminal penalties thereunder, the maximum penalties
25 not to exceed the maximum criminal penalties provided in the
26 Retailers' Occupation Tax Act. The Authority may collect and

1 enforce the tax itself or by contract with any unit of local
2 government. The State Department of Revenue shall have no
3 responsibility for the collection and enforcement unless the
4 Department agrees with the Authority to undertake the
5 collection and enforcement. As used in this paragraph, the term
6 "parking facility" means a parking area or structure having
7 parking spaces for more than 2 vehicles at which motor vehicles
8 are permitted to park in return for an hourly, daily, or other
9 periodic fee, whether publicly or privately owned, but does not
10 include parking spaces on a public street, the use of which is
11 regulated by parking meters.

12 (e) The Board may impose a Regional Transportation
13 Authority Retailers' Occupation Tax upon all persons engaged in
14 the business of selling tangible personal property at retail in
15 the metropolitan region. In Cook County the tax rate shall be
16 1.25% of the gross receipts from sales of food for human
17 consumption that is to be consumed off the premises where it is
18 sold (other than alcoholic beverages, soft drinks and food that
19 has been prepared for immediate consumption) and prescription
20 and nonprescription medicines, drugs, medical appliances and
21 insulin, urine testing materials, syringes and needles used by
22 diabetics, and 1% of the gross receipts from other taxable
23 sales made in the course of that business. In DuPage, Kane,
24 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
25 of the gross receipts from all taxable sales made in the course
26 of that business. The tax imposed under this Section and all

1 civil penalties that may be assessed as an incident thereof
2 shall be collected and enforced by the State Department of
3 Revenue. The Department shall have full power to administer and
4 enforce this Section; to collect all taxes and penalties so
5 collected in the manner hereinafter provided; and to determine
6 all rights to credit memoranda arising on account of the
7 erroneous payment of tax or penalty hereunder. In the
8 administration of, and compliance with this Section, the
9 Department and persons who are subject to this Section shall
10 have the same rights, remedies, privileges, immunities, powers
11 and duties, and be subject to the same conditions,
12 restrictions, limitations, penalties, exclusions, exemptions
13 and definitions of terms, and employ the same modes of
14 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
15 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
16 therein other than the State rate of tax), 2c, 3 (except as to
17 the disposition of taxes and penalties collected), 4, 5, 5a,
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
19 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully
21 as if those provisions were set forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this Section may reimburse themselves for their
24 seller's tax liability hereunder by separately stating the tax
25 as an additional charge, which charge may be stated in
26 combination in a single amount with State taxes that sellers

1 are required to collect under the Use Tax Act, under any
2 bracket schedules the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the warrant to be drawn for the
7 amount specified, and to the person named, in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the Regional Transportation Authority tax fund
10 established under paragraph (n) of this Section.

11 If a tax is imposed under this subsection (e), a tax shall
12 also be imposed under subsections (f) and (g) of this Section.

13 For the purpose of determining whether a tax authorized
14 under this Section is applicable, a retail sale by a producer
15 of coal or other mineral mined in Illinois, is a sale at retail
16 at the place where the coal or other mineral mined in Illinois
17 is extracted from the earth. This paragraph does not apply to
18 coal or other mineral when it is delivered or shipped by the
19 seller to the purchaser at a point outside Illinois so that the
20 sale is exempt under the Federal Constitution as a sale in
21 interstate or foreign commerce.

22 No tax shall be imposed or collected under this subsection
23 on the sale of a motor vehicle in this State to a resident of
24 another state if that motor vehicle will not be titled in this
25 State.

26 Nothing in this Section shall be construed to authorize the

1 Regional Transportation Authority to impose a tax upon the
2 privilege of engaging in any business that under the
3 Constitution of the United States may not be made the subject
4 of taxation by this State.

5 (f) If a tax has been imposed under paragraph (e), a
6 Regional Transportation Authority Service Occupation Tax shall
7 also be imposed upon all persons engaged, in the metropolitan
8 region in the business of making sales of service, who as an
9 incident to making the sales of service, transfer tangible
10 personal property within the metropolitan region, either in the
11 form of tangible personal property or in the form of real
12 estate as an incident to a sale of service. In Cook County, the
13 tax rate shall be: (1) 1.25% of the serviceman's cost price of
14 food prepared for immediate consumption and transferred
15 incident to a sale of service subject to the service occupation
16 tax by an entity licensed under the Hospital Licensing Act, the
17 Nursing Home Care Act, or the MR/DD Community Care Act that is
18 located in the metropolitan region; (2) 1.25% of the selling
19 price of food for human consumption that is to be consumed off
20 the premises where it is sold (other than alcoholic beverages,
21 soft drinks and food that 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; and (3) 1%
25 of the selling price from other taxable sales of tangible
26 personal property transferred. In DuPage, Kane, Lake, McHenry

1 and Will Counties the rate shall be 0.75% of the selling price
2 of all tangible personal property transferred.

3 The tax imposed under this paragraph and all civil
4 penalties that may be assessed as an incident thereof shall be
5 collected and enforced by the State Department of Revenue. The
6 Department shall have full power to administer and enforce this
7 paragraph; to collect all taxes and penalties due hereunder; to
8 dispose of taxes and penalties collected in the manner
9 hereinafter provided; and to determine all rights to credit
10 memoranda arising on account of the erroneous payment of tax or
11 penalty hereunder. In the administration of and compliance with
12 this paragraph, the Department and persons who are subject to
13 this paragraph shall have the same rights, remedies,
14 privileges, immunities, powers and duties, and be subject to
15 the same conditions, restrictions, limitations, penalties,
16 exclusions, exemptions and definitions of terms, and employ the
17 same modes of procedure, as are prescribed in Sections 1a-1, 2,
18 2a, 3 through 3-50 (in respect to all provisions therein other
19 than the State rate of tax), 4 (except that the reference to
20 the State shall be to the Authority), 5, 7, 8 (except that the
21 jurisdiction to which the tax shall be a debt to the extent
22 indicated in that Section 8 shall be the Authority), 9 (except
23 as to the disposition of taxes and penalties collected, and
24 except that the returned merchandise credit for this tax may
25 not be taken against any State tax), 10, 11, 12 (except the
26 reference therein to Section 2b of the Retailers' Occupation

1 Tax Act), 13 (except that any reference to the State shall mean
2 the Authority), the first paragraph of Section 15, 16, 17, 18,
3 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
4 the Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

6 Persons subject to any tax imposed under the authority
7 granted in this paragraph may reimburse themselves for their
8 serviceman's tax liability hereunder by separately stating the
9 tax as an additional charge, that charge may be stated in
10 combination in a single amount with State tax that servicemen
11 are authorized to collect under the Service Use Tax Act, under
12 any bracket schedules the Department may prescribe.

13 Whenever the Department determines that a refund should be
14 made under this paragraph to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the Regional Transportation Authority tax fund
20 established under paragraph (n) of this Section.

21 Nothing in this paragraph shall be construed to authorize
22 the Authority to impose a tax upon the privilege of engaging in
23 any business that under the Constitution of the United States
24 may not be made the subject of taxation by the State.

25 (g) If a tax has been imposed under paragraph (e), a tax
26 shall also be imposed upon the privilege of using in the

1 metropolitan region, any item of tangible personal property
2 that is purchased outside the metropolitan region at retail
3 from a retailer, and that is titled or registered with an
4 agency of this State's government. In Cook County the tax rate
5 shall be 1% of the selling price of the tangible personal
6 property, as "selling price" is defined in the Use Tax Act. In
7 DuPage, Kane, Lake, McHenry and Will counties the tax rate
8 shall be 0.75% of the selling price of the tangible personal
9 property, as "selling price" is defined in the Use Tax Act. The
10 tax shall be collected from persons whose Illinois address for
11 titling or registration purposes is given as being in the
12 metropolitan region. The tax shall be collected by the
13 Department of Revenue for the Regional Transportation
14 Authority. The tax must be paid to the State, or an exemption
15 determination must be obtained from the Department of Revenue,
16 before the title or certificate of registration for the
17 property may be issued. The tax or proof of exemption may be
18 transmitted to the Department by way of the State agency with
19 which, or the State officer with whom, the tangible personal
20 property must be titled or registered if the Department and the
21 State agency or State officer determine that this procedure
22 will expedite the processing of applications for title or
23 registration.

24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes, penalties and
26 interest due hereunder; to dispose of taxes, penalties and

1 interest collected in the manner hereinafter provided; and to
2 determine all rights to credit memoranda or refunds arising on
3 account of the erroneous payment of tax, penalty or interest
4 hereunder. In the administration of and compliance with this
5 paragraph, the Department and persons who are subject to this
6 paragraph shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties, exclusions,
9 exemptions and definitions of terms and employ the same modes
10 of procedure, as are prescribed in Sections 2 (except the
11 definition of "retailer maintaining a place of business in this
12 State"), 3 through 3-80 (except provisions pertaining to the
13 State rate of tax, and except provisions concerning collection
14 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
15 19 (except the portions pertaining to claims by retailers and
16 except the last paragraph concerning refunds), 20, 21 and 22 of
17 the Use Tax Act, and are not inconsistent with this paragraph,
18 as fully as if those provisions were set forth herein.

19 Whenever the Department determines that a refund should be
20 made under this paragraph to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the order to be drawn for the
23 amount specified, and to the person named in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the Regional Transportation Authority tax fund
26 established under paragraph (n) of this Section.

1 (h) The Authority may impose a replacement vehicle tax of
2 \$50 on any passenger car as defined in Section 1-157 of the
3 Illinois Vehicle Code purchased within the metropolitan region
4 by or on behalf of an insurance company to replace a passenger
5 car of an insured person in settlement of a total loss claim.
6 The tax imposed may not become effective before the first day
7 of the month following the passage of the ordinance imposing
8 the tax and receipt of a certified copy of the ordinance by the
9 Department of Revenue. The Department of Revenue shall collect
10 the tax for the Authority in accordance with Sections 3-2002
11 and 3-2003 of the Illinois Vehicle Code.

12 The Department shall immediately pay over to the State
13 Treasurer, ex officio, as trustee, all taxes collected
14 hereunder.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the STAR Bonds
20 Financing Act, collected under this Section during the second
21 preceding calendar month for sales within a STAR bond district.

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on ~~on~~ or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to the Authority. The
26 amount to be paid to the Authority shall be the amount

1 collected hereunder during the second preceding calendar month
2 by the Department, less any amount determined by the Department
3 to be necessary for the payment of refunds, and less any
4 amounts that are transferred to the STAR Bonds Revenue Fund.

5 Within 10 days after receipt by the Comptroller of the
6 disbursement certification to the Authority provided for in
7 this Section to be given to the Comptroller by the Department,
8 the Comptroller shall cause the orders to be drawn for that
9 amount in accordance with the directions contained in the
10 certification.

11 (i) The Board may not impose any other taxes except as it
12 may from time to time be authorized by law to impose.

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

22 (k) The provisions of any tax imposed under paragraph (c)
23 of this Section shall conform as closely as may be practicable
24 to the provisions of the Use Tax Act, including without
25 limitation conformity as to penalties with respect to the tax
26 imposed and as to the powers of the State Department of Revenue

1 to promulgate and enforce rules and regulations relating to the
2 administration and enforcement of the provisions of the tax
3 imposed. The taxes shall be imposed only on use within the
4 metropolitan region and at rates as provided in the paragraph.

5 (l) The Board in imposing any tax as provided in paragraphs
6 (b) and (c) of this Section, shall, after seeking the advice of
7 the State Department of Revenue, provide means for retailers,
8 users or purchasers of motor fuel for purposes other than those
9 with regard to which the taxes may be imposed as provided in
10 those paragraphs to receive refunds of taxes improperly paid,
11 which provisions may be at variance with the refund provisions
12 as applicable under the Municipal Retailers Occupation Tax Act.
13 The State Department of Revenue may provide for certificates of
14 registration for users or purchasers of motor fuel for purposes
15 other than those with regard to which taxes may be imposed as
16 provided in paragraphs (b) and (c) of this Section to
17 facilitate the reporting and nontaxability of the exempt sales
18 or uses.

19 (m) Any ordinance imposing or discontinuing any tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before June 1, whereupon the
22 Department of Revenue shall proceed to administer and enforce
23 this Section on behalf of the Regional Transportation Authority
24 as of September 1 next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder shall be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of July, whereupon the Department shall proceed
3 to administer and enforce this Section as of the first day of
4 October next following such adoption and filing. Beginning
5 January 1, 1993, an ordinance or resolution imposing,
6 increasing, decreasing, or discontinuing the tax hereunder
7 shall be adopted and a certified copy thereof filed with the
8 Department, whereupon the Department shall proceed to
9 administer and enforce this Section as of the first day of the
10 first month to occur not less than 60 days following such
11 adoption and filing. Any ordinance or resolution of the
12 Authority imposing a tax under this Section and in effect on
13 August 1, 2007 shall remain in full force and effect and shall
14 be administered by the Department of Revenue under the terms
15 and conditions and rates of tax established by such ordinance
16 or resolution until the Department begins administering and
17 enforcing an increased tax under this Section as authorized by
18 this amendatory Act of the 95th General Assembly. The tax rates
19 authorized by this amendatory Act of the 95th General Assembly
20 are effective only if imposed by ordinance of the Authority.

21 (n) The State Department of Revenue shall, upon collecting
22 any taxes as provided in this Section, pay the taxes over to
23 the State Treasurer as trustee for the Authority. The taxes
24 shall be held in a trust fund outside the State Treasury. On or
25 before the 25th day of each calendar month, the State
26 Department of Revenue shall prepare and certify to the

1 Comptroller of the State of Illinois and to the Authority (i)
2 the amount of taxes collected in each County other than Cook
3 County in the metropolitan region, (ii) the amount of taxes
4 collected within the City of Chicago, and (iii) the amount
5 collected in that portion of Cook County outside of Chicago,
6 each amount less the amount necessary for the payment of
7 refunds to taxpayers located in those areas described in items
8 (i), (ii), and (iii). Within 10 days after receipt by the
9 Comptroller of the certification of the amounts, the
10 Comptroller shall cause an order to be drawn for the payment of
11 two-thirds of the amounts certified in item (i) of this
12 subsection to the Authority and one-third of the amounts
13 certified in item (i) of this subsection to the respective
14 counties other than Cook County and the amount certified in
15 items (ii) and (iii) of this subsection to the Authority.

16 In addition to the disbursement required by the preceding
17 paragraph, an allocation shall be made in July 1991 and each
18 year thereafter to the Regional Transportation Authority. The
19 allocation shall be made in an amount equal to the average
20 monthly distribution during the preceding calendar year
21 (excluding the 2 months of lowest receipts) and the allocation
22 shall include the amount of average monthly distribution from
23 the Regional Transportation Authority Occupation and Use Tax
24 Replacement Fund. The distribution made in July 1992 and each
25 year thereafter under this paragraph and the preceding
26 paragraph shall be reduced by the amount allocated and

1 disbursed under this paragraph in the preceding calendar year.
2 The Department of Revenue shall prepare and certify to the
3 Comptroller for disbursement the allocations made in
4 accordance with this paragraph.

5 (o) Failure to adopt a budget ordinance or otherwise to
6 comply with Section 4.01 of this Act or to adopt a Five-year
7 Capital Program or otherwise to comply with paragraph (b) of
8 Section 2.01 of this Act shall not affect the validity of any
9 tax imposed by the Authority otherwise in conformity with law.

10 (p) At no time shall a public transportation tax or motor
11 vehicle parking tax authorized under paragraphs (b), (c) and
12 (d) of this Section be in effect at the same time as any
13 retailers' occupation, use or service occupation tax
14 authorized under paragraphs (e), (f) and (g) of this Section is
15 in effect.

16 Any taxes imposed under the authority provided in
17 paragraphs (b), (c) and (d) shall remain in effect only until
18 the time as any tax authorized by paragraphs (e), (f) or (g) of
19 this Section are imposed and becomes effective. Once any tax
20 authorized by paragraphs (e), (f) or (g) is imposed the Board
21 may not reimpose taxes as authorized in paragraphs (b), (c) and
22 (d) of the Section unless any tax authorized by paragraphs (e),
23 (f) or (g) of this Section becomes ineffective by means other
24 than an ordinance of the Board.

25 (q) Any existing rights, remedies and obligations
26 (including enforcement by the Regional Transportation

1 Authority) arising under any tax imposed under paragraphs (b),
 2 (c) or (d) of this Section shall not be affected by the
 3 imposition of a tax under paragraphs (e), (f) or (g) of this
 4 Section.

5 (Source: P.A. 95-708, eff. 1-18-08; 96-339, eff. 7-1-10.)

6 Section 105. The Water Commission Act of 1985 is amended by
 7 changing Section 4 as follows:

8 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

9 Sec. 4. (a) The board of commissioners of any county water
 10 commission may, by ordinance, impose throughout the territory
 11 of the commission any or all of the taxes provided in this
 12 Section for its corporate purposes. However, no county water
 13 commission may impose any such tax unless the commission
 14 certifies the proposition of imposing the tax to the proper
 15 election officials, who shall submit the proposition to the
 16 voters residing in the territory at an election in accordance
 17 with the general election law, and the proposition has been
 18 approved by a majority of those voting on the proposition.

19 The proposition shall be in the form provided in Section 5
 20 or shall be substantially in the following form:

21 -----
 22 Shall the (insert corporate
 23 name of county water commission) YES
 24 impose (state type of tax or -----

1 taxes to be imposed) at the NO
2 rate of 1/4%?

3 -----

4 Taxes imposed under this Section and civil penalties
5 imposed incident thereto shall be collected and enforced by the
6 State Department of Revenue. The Department shall have the
7 power to administer and enforce the taxes and to determine all
8 rights for refunds for erroneous payments of the taxes.

9 (b) The board of commissioners may impose a County Water
10 Commission Retailers' Occupation Tax upon all persons engaged
11 in the business of selling tangible personal property at retail
12 in the territory of the commission at a rate of 1/4% of the
13 gross receipts from the sales made in the course of such
14 business within the territory. The tax imposed under this
15 paragraph and all civil penalties that may be assessed as an
16 incident thereof shall be collected and enforced by the State
17 Department of Revenue. The Department shall have full power to
18 administer and enforce this paragraph; to collect all taxes and
19 penalties due hereunder; to dispose of taxes and penalties so
20 collected in the manner hereinafter provided; and to determine
21 all rights to credit memoranda arising on account of the
22 erroneous payment of tax or penalty hereunder. In the
23 administration of, and compliance with, this paragraph, the
24 Department and persons who are subject to this paragraph shall
25 have the same rights, remedies, privileges, immunities, powers
26 and duties, and be subject to the same conditions,

1 restrictions, limitations, penalties, exclusions, exemptions
2 and definitions of terms, and employ the same modes of
3 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
4 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
5 therein other than the State rate of tax except that food for
6 human consumption that is to be consumed off the premises where
7 it is sold (other than alcoholic beverages, soft drinks, and
8 food that has been prepared for immediate consumption) and
9 prescription and nonprescription medicine, drugs, medical
10 appliances and insulin, urine testing materials, syringes, and
11 needles used by diabetics, for human use, shall not be subject
12 to tax hereunder), 2c, 3 (except as to the disposition of taxes
13 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,
14 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the
15 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
16 Penalty and Interest Act, as fully as if those provisions were
17 set forth herein.

18 Persons subject to any tax imposed under the authority
19 granted in this paragraph may reimburse themselves for their
20 seller's tax liability hereunder by separately stating the tax
21 as an additional charge, which charge may be stated in
22 combination, in a single amount, with State taxes that sellers
23 are required to collect under the Use Tax Act and under
24 subsection (e) of Section 4.03 of the Regional Transportation
25 Authority Act, in accordance with such bracket schedules as the
26 Department may prescribe.

1 Whenever the Department determines that a refund should be
2 made under this paragraph to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the warrant to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of a county water commission tax fund established
8 under paragraph (g) of this Section.

9 For the purpose of determining whether a tax authorized
10 under this paragraph is applicable, a retail sale by a producer
11 of coal or other mineral mined in Illinois is a sale at retail
12 at the place where the coal or other mineral mined in Illinois
13 is extracted from the earth. This paragraph does not apply to
14 coal or other mineral when it is delivered or shipped by the
15 seller to the purchaser at a point outside Illinois so that the
16 sale is exempt under the Federal Constitution as a sale in
17 interstate or foreign commerce.

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

20 No tax shall be imposed or collected under this subsection
21 on the sale of a motor vehicle in this State to a resident of
22 another state if that motor vehicle will not be titled in this
23 State.

24 Nothing in this paragraph shall be construed to authorize a
25 county water commission to impose a tax upon the privilege of
26 engaging in any business which under the Constitution of the

1 United States may not be made the subject of taxation by this
2 State.

3 (c) If a tax has been imposed under subsection (b), a
4 County Water Commission Service Occupation Tax shall also be
5 imposed upon all persons engaged, in the territory of the
6 commission, in the business of making sales of service, who, as
7 an incident to making the sales of service, transfer tangible
8 personal property within the territory. The tax rate shall be
9 1/4% of the selling price of tangible personal property so
10 transferred within the territory. The tax imposed under this
11 paragraph and all civil penalties that may be assessed as an
12 incident thereof shall be collected and enforced by the State
13 Department of Revenue. The Department shall have full power to
14 administer and enforce this paragraph; to collect all taxes and
15 penalties due hereunder; to dispose of taxes and penalties so
16 collected in the manner hereinafter provided; and to determine
17 all rights to credit memoranda arising on account of the
18 erroneous payment of tax or penalty hereunder. In the
19 administration of, and compliance with, this paragraph, the
20 Department and persons who are subject to this paragraph shall
21 have the same rights, remedies, privileges, immunities, powers
22 and duties, and be subject to the same conditions,
23 restrictions, limitations, penalties, exclusions, exemptions
24 and definitions of terms, and employ the same modes of
25 procedure, as are prescribed in Sections 1a-1, 2 (except that
26 the reference to State in the definition of supplier

1 maintaining a place of business in this State shall mean the
2 territory of the commission), 2a, 3 through 3-50 (in respect to
3 all provisions therein other than the State rate of tax except
4 that food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages, soft
6 drinks, and food that has been prepared for immediate
7 consumption) and prescription and nonprescription medicines,
8 drugs, medical appliances and insulin, urine testing
9 materials, syringes, and needles used by diabetics, for human
10 use, shall not be subject to tax hereunder), 4 (except that the
11 reference to the State shall be to the territory of the
12 commission), 5, 7, 8 (except that the jurisdiction to which the
13 tax shall be a debt to the extent indicated in that Section 8
14 shall be the commission), 9 (except as to the disposition of
15 taxes and penalties collected and except that the returned
16 merchandise credit for this tax may not be taken against any
17 State tax), 10, 11, 12 (except the reference therein to Section
18 2b of the Retailers' Occupation Tax Act), 13 (except that any
19 reference to the State shall mean the territory of the
20 commission), the first paragraph of Section 15, 15.5, 16, 17,
21 18, 19 and 20 of the Service Occupation Tax Act as fully as if
22 those provisions were set forth herein.

23 Persons subject to any tax imposed under the authority
24 granted in this paragraph may reimburse themselves for their
25 serviceman's tax liability hereunder by separately stating the
26 tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax that servicemen
2 are authorized to collect under the Service Use Tax Act, and
3 any tax for which servicemen may be liable under subsection (f)
4 of Sec. 4.03 of the Regional Transportation Authority Act, in
5 accordance with such bracket schedules as the Department may
6 prescribe.

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

15 Nothing in this paragraph shall be construed to authorize a
16 county water commission to impose a tax upon the privilege of
17 engaging in any business which under the Constitution of the
18 United States may not be made the subject of taxation by the
19 State.

20 (d) If a tax has been imposed under subsection (b), a tax
21 shall also imposed upon the privilege of using, in the
22 territory of the commission, any item of tangible personal
23 property that is purchased outside the territory at retail from
24 a retailer, and that is titled or registered with an agency of
25 this State's government, at a rate of 1/4% of the selling price
26 of the tangible personal property within the territory, as

1 "selling price" is defined in the Use Tax Act. The tax shall be
2 collected from persons whose Illinois address for titling or
3 registration purposes is given as being in the territory. The
4 tax shall be collected by the Department of Revenue for a
5 county water commission. The tax must be paid to the State, or
6 an exemption determination must be obtained from the Department
7 of Revenue, before the title or certificate of registration for
8 the property may be issued. The tax or proof of exemption may
9 be transmitted to the Department by way of the State agency
10 with which, or the State officer with whom, the tangible
11 personal property must be titled or registered if the
12 Department and the State agency or State officer determine that
13 this procedure will expedite the processing of applications for
14 title or registration.

15 The Department shall have full power to administer and
16 enforce this paragraph; to collect all taxes, penalties and
17 interest due hereunder; to dispose of taxes, penalties and
18 interest so collected in the manner hereinafter provided; and
19 to determine all rights to credit memoranda or refunds arising
20 on account of the erroneous payment of tax, penalty or interest
21 hereunder. In the administration of, and compliance with this
22 paragraph, the Department and persons who are subject to this
23 paragraph shall have the same rights, remedies, privileges,
24 immunities, powers and duties, and be subject to the same
25 conditions, restrictions, limitations, penalties, exclusions,
26 exemptions and definitions of terms and employ the same modes

1 of procedure, as are prescribed in Sections 2 (except the
2 definition of "retailer maintaining a place of business in this
3 State"), 3 through 3-80 (except provisions pertaining to the
4 State rate of tax, and except provisions concerning collection
5 or refunding of the tax by retailers, and except that food for
6 human consumption that is to be consumed off the premises where
7 it is sold (other than alcoholic beverages, soft drinks, and
8 food that has been prepared for immediate consumption) and
9 prescription and nonprescription medicines, drugs, medical
10 appliances and insulin, urine testing materials, syringes, and
11 needles used by diabetics, for human use, shall not be subject
12 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
13 portions pertaining to claims by retailers and except the last
14 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
15 and Section 3-7 of the Uniform Penalty and Interest Act that
16 are not inconsistent with this paragraph, as fully as if those
17 provisions were set forth herein.

18 Whenever the Department determines that a refund should be
19 made under this paragraph to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the order to be drawn for the
22 amount specified, and to the person named, in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of a county water commission tax fund established
25 under paragraph (g) of this Section.

26 (e) A certificate of registration issued by the State

1 Department of Revenue to a retailer under the Retailers'
2 Occupation Tax Act or under the Service Occupation Tax Act
3 shall permit the registrant to engage in a business that is
4 taxed under the tax imposed under paragraphs (b), (c) or (d) of
5 this Section and no additional registration shall be required
6 under the tax. A certificate issued under the Use Tax Act or
7 the Service Use Tax Act shall be applicable with regard to any
8 tax imposed under paragraph (c) of this Section.

9 (f) Any ordinance imposing or discontinuing any tax under
10 this Section shall be adopted and a certified copy thereof
11 filed with the Department on or before June 1, whereupon the
12 Department of Revenue shall proceed to administer and enforce
13 this Section on behalf of the county water commission as of
14 September 1 next following the adoption and filing. Beginning
15 January 1, 1992, an ordinance or resolution imposing or
16 discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of July, whereupon the Department shall proceed
19 to administer and enforce this Section as of the first day of
20 October next following such adoption and filing. Beginning
21 January 1, 1993, an ordinance or resolution imposing or
22 discontinuing the tax hereunder shall be adopted and a
23 certified copy thereof filed with the Department on or before
24 the first day of October, whereupon the Department shall
25 proceed to administer and enforce this Section as of the first
26 day of January next following such adoption and filing.

1 (g) The State Department of Revenue shall, upon collecting
2 any taxes as provided in this Section, pay the taxes over to
3 the State Treasurer as trustee for the commission. The taxes
4 shall be held in a trust fund outside the State Treasury.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the STAR Bonds
10 Financing Act, collected under this Section during the second
11 preceding calendar month for sales within a STAR bond district.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on ~~On~~ or before the 25th day of each calendar month, the State
14 Department of Revenue shall prepare and certify to the
15 Comptroller of the State of Illinois the amount to be paid to
16 the commission, which shall be the then balance in the fund,
17 less any amount determined by the Department to be necessary
18 for the payment of refunds, and less any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the certification of the
21 amount to be paid to the commission, the Comptroller shall
22 cause an order to be drawn for the payment for the amount in
23 accordance with the direction in the certification.

24 (Source: P.A. 92-221, eff. 8-2-01; 93-1068, eff. 1-15-05.)

25 Section 995. No acceleration or delay. Where this Act makes

1 changes in a statute that is represented in this Act by text
2 that is not yet or no longer in effect (for example, a Section
3 represented by multiple versions), the use of that text does
4 not accelerate or delay the taking effect of (i) the changes
5 made by this Act or (ii) provisions derived from any other
6 Public Act.

7 Section 999. Effective date. This Act takes effect upon
8 becoming law.".