

1 AN ACT concerning economic development.

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

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  
17 to otherwise exercise the powers and authorities granted to  
18 municipalities. It is further found and declared to be the  
19 policy of the State, in the interest of promoting the health,  
20 safety, morals, and general welfare of all the people of the  
21 State, to provide incentives to create new job opportunities  
22 and to promote major tourism, entertainment, retail, and  
23 related destination projects within the State. It is further

1 found and declared:

2 (a) that as a result of the costs of land assemblage,  
3 financing, infrastructure, and other project costs, the  
4 private sector, without the assistance contemplated in  
5 this Act, is unable to develop major tourism,  
6 entertainment, retail, and related destination projects in  
7 the State;

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

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

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

22 (e) that municipalities of the State that already have  
23 an enterprise zone in place have a sufficient tool to  
24 encourage development and to preserve and enhance their  
25 local tax bases and job opportunities and otherwise achieve  
26 the purposes set forth in this Act;

1           (f) that investment in major tourism, entertainment,  
2           retail, and related destination projects within the State  
3           would stimulate economic activity in the State, including  
4           the creation and maintenance of jobs, the creation of new  
5           and lasting infrastructure and other improvements, and the  
6           attraction and retention of interstate tourists and  
7           entertainment events that generate significant economic  
8           activity;

9           (g) that the continual encouragement, development,  
10          growth, and expansion of major tourism, entertainment,  
11          retail, and related destination projects within the State  
12          requires a cooperative and continuous partnership between  
13          government and the public sector;

14          (h) that the State has a responsibility to help create  
15          a favorable climate for new and improved job opportunities  
16          for its citizens and to increase the tax base of the State  
17          and its political subdivisions by encouraging development  
18          by the private sector of major tourism, entertainment,  
19          retail, and related destination projects within the State;

20          (i) that the stagnation of local tax bases and the loss  
21          of job opportunities within the State has persisted despite  
22          efforts of State and local authorities and private  
23          organizations to create major tourism, entertainment,  
24          retail, and related destination projects within the State;

25          (j) that the stagnation of local tax bases and the  
26          persistent loss of job opportunities in the State may

1 continue and worsen if the State and its political  
2 subdivisions are not able to provide additional incentives  
3 to developers of major tourism, entertainment, retail, and  
4 related destination projects;

5 (k) that the provision of additional incentives by the  
6 State and its political subdivisions will relieve  
7 conditions of unemployment, maintain existing levels of  
8 employment, create new job opportunities, retain jobs  
9 within the State, increase tourism and commerce within the  
10 State, and increase the tax base of the State and its  
11 political subdivisions;

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

16 (m) that the necessity in the public interest for the  
17 provisions of this Act is hereby declared as a matter of  
18 legislative determination.

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

22 "Base year" means the calendar year immediately prior to  
23 the calendar year in which the STAR bond district is  
24 established.

25 "Commence work" means the manifest commencement of actual

1 operations on the development site, such as, erecting a  
2 building, general on-site and off-site grading and utility  
3 installations, commencing design and construction  
4 documentation, ordering lead-time materials, excavating the  
5 ground to lay a foundation or a basement, or work of like  
6 description which a reasonable person would recognize as being  
7 done with the intention and purpose to continue work until the  
8 project is completed.

9 "County" means the county in which a proposed STAR bond  
10 district is located.

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

13 "Department of Revenue" means the Department of Revenue of  
14 the State of Illinois.

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

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

23 "Economic impact study" means a study conducted by an  
24 independent economist to project the financial benefit of the  
25 proposed STAR bond project to the local, regional, and State  
26 economies, consider the proposed adverse impacts on similar

1 projects and businesses, as well as municipalities within the  
2 projected market area, and draw conclusions about the net  
3 effect of the proposed STAR bond project on the local,  
4 regional, and State economies. A copy of the economic impact  
5 study shall be provided to the Director for review.

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

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

24 (b) the governing body of the political subdivision  
25 shall have determined that the area is a blighted area as  
26 determined under the provisions of Section 11-74.3-5 of the

1 Illinois Municipal Code;

2 (c) the governing body of the political subdivision  
3 shall have made findings with respect to the property, the  
4 proposed STAR bond project, and the proposed master  
5 developer that would be required to enter into an economic  
6 incentive agreement pursuant to the provisions of Section  
7 8-11-20 of the Illinois Municipal Code; or

8 (d) the governing body of the political subdivision  
9 shall make the following findings:

10 (i) that the vacant portions of the area have  
11 remained vacant for at least one year, or that any  
12 building located on a vacant portion of the property  
13 was demolished within the last year and that the  
14 building would have qualified under item (ii) of this  
15 subsection;

16 (ii) if portions of the area are currently  
17 developed, that the use, condition, and character of  
18 the buildings on the property are not consistent with  
19 the purposes set forth in Section 5;

20 (iii) that the STAR bond district is expected to  
21 create or retain job opportunities within the  
22 political subdivision;

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

25 (v) that without the availability of STAR bonds,  
26 the projects described in the STAR bond district plan

1 would not be possible;

2 (vi) that the master developer meets high  
3 standards of creditworthiness and financial strength  
4 as demonstrated by one or more of the following: (i)  
5 corporate debenture ratings of BBB or higher by  
6 Standard & Poor's Corporation or Baa or higher by  
7 Moody's Investors Service, Inc.; (ii) a letter from a  
8 financial institution with assets of \$10,000,000 or  
9 more attesting to the financial strength of the master  
10 developer; or (iii) specific evidence of equity  
11 financing for not less than 10% of the estimated total  
12 STAR bond project costs;

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

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

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

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

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



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

7 "Local sales taxes" means any locally imposed taxes  
8 received by a municipality, county, or other local governmental  
9 entity arising from sales by retailers and servicemen within a  
10 STAR bond district, including business district sales taxes.  
11 For the purpose of this Act, "local sales taxes" does not  
12 include (i) any taxes authorized pursuant to the Local Mass  
13 Transit District Act, the Metro-East Park and Recreation  
14 District Act, or the Flood Prevention District Act for so long  
15 as the applicable taxing district does not impose a tax on real  
16 property or (ii) any local sales taxes that are, at the time of  
17 formation of a STAR bond district, already subject to tax  
18 increment financing under the Tax Increment Allocation  
19 Redevelopment Act.

20 "Local sales tax increment" means, with respect to local  
21 sales taxes administered by the Illinois Department of Revenue,  
22 that portion of the local sales tax that is in excess of the  
23 local sales tax for the same month in the base year, as  
24 determined by the Illinois Department of Revenue. "Local sales  
25 tax increment" means, with respect to local sales taxes  
26 administered by a municipality, county, or other unit of local

1 government, that portion of the local sales tax that is in  
2 excess of the local sales tax for the same month in the base  
3 year, as determined by the respective municipality, county, or  
4 other unit of local government. The Illinois Department of  
5 Revenue shall allocate the local sales tax increment only if  
6 the local sales tax is administered by the Department.

7 "Market study" means a study to determine the ability of  
8 the proposed STAR bond project to gain market share locally and  
9 regionally and to remain profitable past the term of repayment  
10 of STAR bonds.

11 "Master developer" means a developer cooperating with a  
12 political subdivision to plan, develop, and implement a STAR  
13 bond project plan for a STAR bond district. Subject to the  
14 limitations of Section 25, the master developer may work with  
15 and transfer certain development rights to other developers for  
16 the purpose of implementing STAR bond project plans and  
17 achieving the purposes of this Act. A master developer for a  
18 STAR bond district shall be appointed by a political  
19 subdivision in the resolution establishing the STAR bond  
20 district, and the master developer must, at the time of  
21 appointment, own or have control of, through purchase  
22 agreements, option contracts, or other means, not less than 50%  
23 of the acreage within the STAR bond district and the master  
24 developer or its affiliate must have ownership or control on  
25 May 26, 2009.

26 "Master development agreement" means an agreement between

1 the master developer and the political subdivision to govern a  
2 STAR bond district and any STAR bond projects.

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

5 "Pledged STAR revenues" means those sales tax and revenues  
6 and other sources of funds pledged to pay debt service on STAR  
7 bonds or to pay project costs pursuant to Section 30.  
8 Notwithstanding any provision to the contrary, the following  
9 revenues shall not constitute pledged STAR revenues or be  
10 available to pay principal and interest on STAR bonds: any  
11 State sales tax increment or local sales tax increment from a  
12 retail entity initiating operations in a STAR bond district  
13 while terminating operations at another Illinois location  
14 within 25 miles of the STAR bond district. For purposes of this  
15 paragraph, "terminating operations" means a closing of a retail  
16 operation that is directly related to the opening of the same  
17 operation or like retail entity owned or operated by more than  
18 50% of the original ownership in a STAR bond district within  
19 one year before or after initiating operations in the STAR bond  
20 district, but it does not mean closing an operation for reasons  
21 beyond the control of the retail entity, as documented by the  
22 retail entity, subject to a reasonable finding by the  
23 municipality that the current location contained inadequate  
24 space, had become economically obsolete, or was no longer a  
25 viable location for the retailer or serviceman.

26 "Political subdivision" means a municipality or county

1 which undertakes to establish a STAR bond district pursuant to  
2 the provisions of this Act.

3 "Project costs" means and includes the sum total of all  
4 costs incurred or estimated to be incurred on or following the  
5 date of establishment of a STAR bond district that are  
6 reasonable or necessary to implement a STAR bond district plan  
7 or any STAR bond project plans, or both, including costs  
8 incurred for public improvements and private improvements that  
9 serve the public purposes set forth in Section 5 of this Act.  
10 Such costs include without limitation the following:

11 (a) costs of studies, surveys, development of plans and  
12 specifications, formation, implementation, and  
13 administration of a STAR bond district, STAR bond district  
14 plan, any STAR bond projects, or any STAR bond project  
15 plans, including, but not limited to, staff and  
16 professional service costs for architectural, engineering,  
17 legal, financial, planning, or other services, provided  
18 however that no charges for professional services may be  
19 based on a percentage of the tax increment collected and no  
20 contracts for professional services, excluding  
21 architectural and engineering services, may be entered  
22 into if the terms of the contract extend beyond a period of  
23 3 years;

24 (b) property assembly costs, including, but not  
25 limited to, acquisition of land and other real property or  
26 rights or interests therein, located within the boundaries

1 of a STAR bond district, demolition of buildings, site  
2 preparation, site improvements that serve as an engineered  
3 barrier addressing ground level or below ground  
4 environmental contamination, including, but not limited  
5 to, parking lots and other concrete or asphalt barriers,  
6 the clearing and grading of land, and importing additional  
7 soil and fill materials, or removal of soil and fill  
8 materials from the site;

9 (c) subject to paragraph (d), costs of buildings or  
10 other vertical improvements that are located within the  
11 boundaries of a STAR bond district and owned by a political  
12 subdivision or other public entity, including without  
13 limitation police and fire stations, educational  
14 facilities, or public restrooms and rest areas;

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

1 district plan or any STAR bond project plans, supported by  
2 information that provides the basis for that  
3 determination, that the new municipal building is required  
4 to meet an increase in the need for public safety purposes  
5 anticipated to result from the implementation of the STAR  
6 bond district plan or any STAR bond project plans;

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

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

24 (g) financing costs, including, but not limited to, all  
25 necessary and incidental expenses related to the issuance  
26 of obligations and which may include payment of interest on

1 any obligations issued hereunder including interest  
2 accruing during the estimated period of construction of any  
3 improvements in a STAR bond district or any STAR bond  
4 projects for which such obligations are issued and for not  
5 exceeding 36 months thereafter and including reasonable  
6 reserves related thereto;

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

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

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

24 (ii) the total of such interest payments paid  
25 pursuant to this Act may not exceed 30% of the total  
26 cost paid or incurred by the developer for a STAR bond

1 district or STAR bond projects, plus project costs,  
2 excluding any property assembly costs incurred by a  
3 political subdivision pursuant to this Act;

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

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

10 (l) costs of mounted building signs, site monument, and  
11 pylon signs located within the boundaries of a STAR bond  
12 district; or

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

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

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

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



1 (iii) property taxes for property located in the STAR  
2 bond district;

3 (iv) lobbying costs; and

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

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

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

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

22 "STAR bond" means a sales tax and revenue bond, note, or  
23 other obligation payable from pledged STAR revenues.

24 "STAR bond district" means the specific area declared to be  
25 an eligible area as determined by the political subdivision,  
26 and approved by the Director, in which the political

1 subdivision may develop one or more STAR bond projects.

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

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

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

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

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

7 "State sales tax" means all of the net revenue realized  
8 under the Retailers' Occupation Tax Act, the Use Tax Act, the  
9 Service Use Tax Act, and the Service Occupation Tax Act from  
10 transactions at places of business located within a STAR bond  
11 district. For the purposes of this Act, "State sales tax" does  
12 not include any State sales taxes that are, at the time of  
13 formation of a STAR bond district, already subject to tax  
14 increment financing under the Tax Increment Allocation  
15 Redevelopment Act.

16 "State sales tax increment" means that portion of the State  
17 sales tax that is in excess of the State sales tax for the same  
18 month in the base year, as determined by the Department of  
19 Revenue.

20 "Substantial change" means a change wherein the proposed  
21 STAR bond project plan differs substantially in size, scope, or  
22 use from the approved STAR bond district plan or STAR bond  
23 project plan.

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

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

4 Section 15. Establishment of STAR bond district. The  
5 governing body of a municipality may establish a STAR bond  
6 district within an eligible area within the municipality or  
7 partially outside the boundaries of the municipality in an  
8 unincorporated area of the county. A STAR bond district which  
9 is partially outside the boundaries of the municipality must  
10 also be approved by the governing body of the county by the  
11 passage of a resolution. The governing body of a county may  
12 establish a STAR bond district in an eligible area in any  
13 unincorporated area of the county.

14 (a) When a political subdivision proposes to establish a  
15 STAR bond district, the political subdivision shall adopt a  
16 resolution stating that the political subdivision is  
17 considering the establishment of a STAR bond district. The  
18 resolution shall:

19 (1) give notice that a public hearing will be held to  
20 consider the establishment of a STAR bond district and fix  
21 the date, hour, and place of the public hearing provided  
22 that notice of the hearing shall be provided as set forth  
23 in item (2) of subsection (e) of Section 20;

24 (2) describe the proposed general boundaries of the  
25 STAR bond district;

1 (3) describe the STAR bond district plan;

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

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

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

9 (b) Upon the conclusion of the public hearing the governing  
10 body of the political subdivision may consider a resolution to  
11 establish the STAR bond district.

12 (1) A resolution to establish a STAR bond district  
13 shall:

14 (A) make findings that the proposed STAR bond  
15 district is to be developed with one or more STAR bond  
16 projects;

17 (B) make findings that the STAR bond district is an  
18 eligible area;

19 (C) contain a STAR bond district plan that  
20 identifies in a general manner the buildings and  
21 facilities that are proposed to be constructed or  
22 improved in subsequent STAR bond projects;

23 (D) contain the legal description of the STAR bond  
24 district;

25 (E) appoint the master developer for the STAR bond  
26 district; and

1           (F) establish the STAR bond district, contingent  
2           upon approval of the Director as set forth in  
3           subsection (d).

4           (2) If the resolution is not adopted by the political  
5           subdivision within 60 days from the conclusion of the  
6           public hearing, then the STAR bond district shall not be  
7           established.

8           (3) Upon adoption of a resolution establishing a STAR  
9           bond district, the political subdivision shall send a  
10          certified copy of such resolution to the Department of  
11          Revenue.

12          (c) Upon the establishment of a STAR bond district, the  
13          STAR bond district and any STAR bond projects shall be governed  
14          by a master development agreement between the political  
15          subdivision and the master developer. A STAR bond district that  
16          is partially outside the boundaries of a municipality shall  
17          only require one master development agreement; the agreement  
18          shall be between the municipality and the master developer. In  
19          no event shall there be more than one master development  
20          agreement governing the terms and conditions of a STAR bond  
21          district.

22          (d) Upon adoption of the resolution to establish a STAR  
23          bond district, the political subdivision shall submit the  
24          proposed STAR bond district to the Director for consideration.  
25          The Director may only approve a STAR bond district if the  
26          Director finds that: (i) the proposed STAR bond district is an

1 eligible area, (ii) no portion of the proposed STAR bond  
2 district is located within a municipality that has an  
3 enterprise zone pursuant to the Illinois Enterprise Zone Act  
4 within its municipal boundaries, (iii) the STAR bond district  
5 plan includes a projected capital investment of at least  
6 \$300,000,000, (iv) the STAR bond district plan is reasonably  
7 projected to produce at least \$300,000,000 of annual gross  
8 sales revenues and 1,000 new jobs, (v) the creation of the STAR  
9 bond district and STAR bond district plan are not contrary to  
10 the purpose of this Act or the public interest; and (vi) the  
11 STAR bond district and STAR bond district plan meet any other  
12 requirement that the Director deems appropriate. If a proposed  
13 STAR bond district meets all of the foregoing criteria, the  
14 Director shall not unreasonably withhold its approval of the  
15 proposed STAR bond district. The Director may only approve one  
16 STAR bond district within any projected market area. However,  
17 the Director may approve additional STAR bond districts in a  
18 single projected market area provided that the Director finds  
19 that the additional STAR bond district will not thwart the  
20 purposes of this Act. The Director shall promptly send a copy  
21 of its written findings and approval or denial of a STAR bond  
22 district to the requesting political subdivision.

23 Section 20. Approval of STAR bond projects. The governing  
24 body of a political subdivision may establish one or more STAR  
25 bond projects in any STAR bond district. A STAR bond project

1 which is partially outside the boundaries of a municipality  
2 must also be approved by the governing body of the county by  
3 resolution.

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

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

17 (1) the estimated amount of pledged STAR revenues  
18 expected to be collected in each year through the maturity  
19 date of the proposed STAR bonds;

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

23 (3) visitation expectations;

24 (4) the unique quality of the project;

25 (5) an economic impact study;

26 (6) a market study;



1           (7) integration and collaboration with other resources  
2           or businesses;

3           (8) the quality of service and experience provided, as  
4           measured against national consumer standards for the  
5           specific target market;

6           (9) project accountability, measured according to best  
7           industry practices;

8           (10) the expected return on State and local investment  
9           that the STAR bond project is anticipated to produce; and

10          (11) an anticipated principal and interest payment  
11          schedule on the STAR bonds.

12          The feasibility consultant, along with the independent  
13          economist and any other consultants commissioned to perform the  
14          studies and other analysis required by the feasibility study,  
15          shall be selected by mutual agreement of the Director and the  
16          political subdivision. The consultants shall be jointly  
17          retained by the Director and the political subdivision.

18          The failure to include all information enumerated in this  
19          subsection in the feasibility study for a STAR bond project  
20          shall not affect the validity of STAR bonds issued pursuant to  
21          this Act.

22          (c) If the political subdivision determines the STAR bond  
23          project is feasible, the STAR bond project plan shall include:

24                  (1) a summary of the feasibility study;

25                  (2) a reference to the STAR bond district plan that  
26                  identifies the STAR bond project area that is set forth in

1 the STAR bond project plan that is being considered;

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

4 (4) a description of the buildings and facilities  
5 proposed to be constructed or improved in such STAR bond  
6 project area; and

7 (5) any other information the governing body of the  
8 political subdivision deems reasonable and necessary to  
9 advise the public of the intent of the STAR bond project  
10 plan.

11 (d) Before a political subdivision may hold a public  
12 hearing to consider a STAR bond project plan, the Department of  
13 Commerce and Economic Opportunity shall hold a regional public  
14 meeting to discuss, evaluate, and review the merits of the STAR  
15 bond project plan. The public meeting shall be held at the  
16 county courthouse, or if the county courthouse is not  
17 available, at such other place as may be convenient to the  
18 citizens of the region and the public meeting shall be held  
19 within 20 days after the receipt of the feasibility study by  
20 the Director. Notice of the public meeting shall be delivered  
21 to the Director and the political subdivision and shall be  
22 published once in a newspaper of general circulation in the  
23 political subdivision not less than one week and not more than  
24 3 weeks preceding the date of the public meeting. At the public  
25 meeting, all interested persons shall be given an opportunity  
26 to be heard. At the conclusion of the public meeting, the

1 Department of Commerce and Economic Opportunity shall provide a  
2 report to the Director concerning the testimony of the public  
3 meeting.

4 (e) Before a political subdivision may hold a public  
5 hearing to consider a STAR bond project plan, the Director must  
6 review the feasibility study and consider all of the components  
7 of the feasibility study set forth in items (1) through (11) of  
8 subsection (b) of Section 20, including without limitation the  
9 economic impact study and the financial benefit of the proposed  
10 STAR bond project to the local, regional, and State economies,  
11 the proposed adverse impacts on similar businesses and projects  
12 as well as municipalities within the market area and the net  
13 effect of the proposed STAR bond project on the local,  
14 regional, and State economies and the Director shall either  
15 approve or deny the STAR bond project plan based on the  
16 aforementioned criteria.

17 (f) Upon a finding by the planning and zoning commission of  
18 the political subdivision that the STAR bond project plan is  
19 consistent with the intent of the comprehensive plan for the  
20 development of the political subdivision and upon issuance of  
21 the written approval of the STAR bond project plan from the  
22 Director pursuant to subsection (e) of Section 20, the  
23 governing body of the political subdivision shall adopt a  
24 resolution stating that the political subdivision is  
25 considering the adoption of the STAR bond project plan. The  
26 resolution shall:

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

4           (2) describe the general boundaries of the STAR bond  
5 district within which the STAR bond project will be located  
6 and the date of establishment of the STAR bond district;

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

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

13           (5) contain a summary of the terms and conditions of  
14 any proposed project development agreement with the  
15 political subdivision.

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

18           (1) The date fixed for the public hearing to consider  
19 the adoption of the STAR bond project plan shall be not  
20 less than 20 nor more than 90 days following the date of  
21 the adoption of the resolution fixing the date of the  
22 hearing.

23           (2) A copy of the political subdivision's resolution  
24 providing for the public hearing shall be sent by certified  
25 mail, return receipt requested, to the governing body of  
26 the county. A copy of the political subdivision's

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

14 (3) At the public hearing, a representative of the  
15 political subdivision or master developer shall present  
16 the STAR bond project plan. Following the presentation of  
17 the STAR bond project plan, all interested persons shall be  
18 given an opportunity to be heard. The governing body may  
19 continue the date and time of the public hearing.

20 (h) Upon conclusion of the public hearing, the governing  
21 body of the political subdivision may adopt the STAR bond  
22 project plan by a resolution approving the STAR bond project  
23 plan.

24 (i) After the adoption by the corporate authorities of the  
25 political subdivision of a STAR bond project plan, the  
26 political subdivision may enter into a project development

1 agreement if the master developer has requested the political  
2 subdivision to be a party to the project development agreement  
3 pursuant to subsection (b) of Section 25.

4 (j) Within 30 days after the adoption by the political  
5 subdivision of a STAR bond project plan, the clerk of the  
6 political subdivision shall transmit a copy of the legal  
7 description of the land and a list of all new and existing  
8 mailing addresses within the STAR bond district, a copy of the  
9 resolution adopting the STAR bond project plan, and a map or  
10 plat indicating the boundaries of the STAR bond project area to  
11 the clerk, treasurer, and governing body of the county and to  
12 the Department of Revenue. Within 30 days of creation of any  
13 new mailing addresses within a STAR bond district, the clerk of  
14 the political subdivision shall provide written notice of such  
15 new addresses to the Department of Revenue.

16 If a certified copy of the resolution adopting the STAR  
17 bond project plan is filed with the Department on or before the  
18 first day of April, the Department, if all other requirements  
19 of this subsection are met, shall proceed to collect and  
20 allocate any local sales tax increment and any State sales tax  
21 increment in accordance with the provisions of this Act as of  
22 the first day of July next following the adoption and filing.  
23 If a certified copy of the resolution adopting the STAR bond  
24 project plan is filed with the Department after April 1 but on  
25 or before the first day of October, the Department, if all  
26 other requirements of this subsection are met, shall proceed to

1 collect and allocate any local sales tax increment and any  
2 State sales tax increment in accordance with the provisions of  
3 this Act as of the first day of January next following the  
4 adoption and filing.

5 Any substantial changes to a STAR bond project plan as  
6 adopted shall be subject to a public hearing following  
7 publication of notice thereof in a newspaper of general  
8 circulation in the political subdivision and approval by  
9 resolution of the governing body of the political subdivision.

10 The Department of Revenue shall not collect or allocate any  
11 local sales tax increment or State sales tax increment, until  
12 the political subdivision also provides, in the manner  
13 prescribed by the Department, the boundaries of the STAR bond  
14 project area and each address in the STAR bond project area in  
15 such a way that the Department can determine by its address  
16 whether a business is located in the STAR bond project area.  
17 The political subdivision must provide this boundary and  
18 address information to the Department on or before April 1 for  
19 administration and enforcement under this Act by the Department  
20 beginning on the following July 1 and on or before October 1  
21 for administration and enforcement under this Act by the  
22 Department beginning on the following January 1. The Department  
23 of Revenue shall not administer or enforce any change made to  
24 the boundaries of a STAR bond project or any address change,  
25 addition, or deletion until the political subdivision reports  
26 the boundary change or address change, addition, or deletion to

1 the Department in the manner prescribed by the Department. The  
2 political subdivision must provide this boundary change or  
3 address change, addition, or deletion information to the  
4 Department on or before April 1 for administration and  
5 enforcement by the Department of the change, addition, or  
6 deletion beginning on the following July 1 and on or before  
7 October 1 for administration and enforcement by the Department  
8 of the change, addition, or deletion beginning on the following  
9 January 1. If a retailer is incorrectly included or excluded  
10 from the list of those located in the STAR bond project, the  
11 Department of Revenue shall be held harmless if it reasonably  
12 relied on information provided by the political subdivision.

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

18 (l) Any developer of a STAR bond project shall commence  
19 work on the STAR bond project within 3 years from the date of  
20 adoption of the STAR bond project plan. If the developer fails  
21 to commence work on the STAR bond project within the 3-year  
22 period, funding for the project shall cease and the developer  
23 of the project or complex shall have one year to appeal to the  
24 political subdivision for reapproval of the project and  
25 funding. If the project is reapproved, the 3-year period for  
26 commencement shall begin again on the date of the reapproval.



1 (m) After the adoption by the corporate authorities of the  
2 political subdivision of a STAR bond project plan and approval  
3 of the Director pursuant to subsection (e) of Section 20, the  
4 political subdivision may authorize the issuance of the STAR  
5 bonds in one or more series to finance the STAR bond project in  
6 accordance with the provisions of this Act.

7 (n) The maximum maturity of STAR bonds issued to finance a  
8 STAR bond project shall not exceed 23 years from the first date  
9 of distribution of State sales tax revenues from such STAR bond  
10 project to the political subdivision, unless the political  
11 subdivision extends such maturity by resolution up to a maximum  
12 of 35 years from such first distribution date. Any such  
13 extension shall require the approval of the Director. In no  
14 event shall the maximum maturity date for any STAR bonds exceed  
15 that date which is 35 years from the first distribution date of  
16 the first STAR bonds issued in a STAR bond district.

17 Section 25. Co-developers and sub-developers. Upon  
18 approval of a STAR bond project by the political subdivision,  
19 the master developer may, subject to the approval of the  
20 Director and the political subdivision, develop the STAR bond  
21 project on its own or it may develop the STAR bond project with  
22 another developer, which may include an assignment or transfer  
23 of development rights.

24 (a) A master developer may sell, lease, or otherwise convey  
25 its property interest in the STAR bond project area to a

1 co-developer or sub-developer.

2 (b) A master developer may enter into one or more  
3 agreements with a co-developer or sub-developer in connection  
4 with a STAR bond project, and the master developer may request  
5 that the political subdivision become a party to the project  
6 development agreement, or the master developer may request that  
7 the political subdivision amend its master development  
8 agreement to provide for certain terms and conditions that may  
9 be related to the co-developer or sub-developer and the STAR  
10 bond project. For any project development agreement which the  
11 political subdivision would be a party or for any amendments to  
12 the master development agreement, the terms and conditions must  
13 be acceptable to both the master developer and the political  
14 subdivision.

15 Section 30. STAR bonds; source of payment. Any political  
16 subdivision shall have the power to issue STAR bonds in one or  
17 more series to finance the undertaking of any STAR bond project  
18 in accordance with the provisions of this Act and the Omnibus  
19 Bond Acts. STAR bonds may be issued as revenue bonds, alternate  
20 bonds, or general obligation bonds as defined in and subject to  
21 the procedures provided in the Local Government Debt Reform  
22 Act.

23 (a) STAR bonds may be made payable, both as to principal  
24 and interest, from the following revenues, which to the extent  
25 pledged by each respective political subdivision or other

1 public entity for such purpose shall constitute pledged STAR  
2 revenues:

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

6 (2) available private funds and contributions, grants,  
7 tax credits, or other financial assistance from the State  
8 or federal government;

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

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

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

17 (6) any other revenues appropriated by the political  
18 subdivision; and

19 (7) any combination of these methods.

20 (b) The political subdivision may pledge the pledged STAR  
21 revenues to the repayment of STAR bonds prior to,  
22 simultaneously with, or subsequent to the issuance of the STAR  
23 bonds.

24 (c) Bonds issued as revenue bonds shall not be general  
25 obligations of the political subdivision, nor in any event  
26 shall they give rise to a charge against its general credit or

1 taxing powers, or be payable out of any funds or properties  
2 other than those set forth in subsection (a) and the bonds  
3 shall so state on their face.

4 (d) For each STAR bond project financed with STAR bonds  
5 payable from the pledged STAR revenues, the political  
6 subdivision shall prepare and submit to the Department of  
7 Revenue by June 1 of each year a report describing the status  
8 of the STAR bond project, any expenditures of the proceeds of  
9 STAR bonds that have occurred for the preceding calendar year,  
10 and any expenditures of the proceeds of the bonds expected to  
11 occur in the future, including the amount of pledged STAR  
12 revenue, the amount of revenue that has been spent, the  
13 projected amount of the revenue, and the anticipated use of the  
14 revenue.

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, 2010,  
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 the amount of the State sales tax  
23 increment deposited into the Local Government Tax Fund and the  
24 County and Mass Transit District Fund. As soon as possible  
25 after the first day of each month, beginning January 1, 2010,  
26 upon certification of the Department of Revenue, the

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

9 On or before the 25th day of each calendar month, beginning  
10 in January 2010, the Department shall prepare and certify to  
11 the Comptroller the disbursement of stated sums of money out of  
12 the STAR Bonds Revenue Fund to named municipalities and  
13 counties, the municipalities and counties to be those entitled  
14 to distribution of taxes or penalties paid to the Department  
15 during the second preceding calendar month. The amount to be  
16 paid to each municipality or county shall be the amount of the  
17 State sales tax increment and the local sales tax increment  
18 (not including credit memoranda) collected during the second  
19 preceding calendar month by the Department from retailers and  
20 servicemen on transactions at places of business located within  
21 a STAR bond district in that municipality or county, plus an  
22 amount the Department determines is necessary to offset any  
23 amounts which were erroneously paid to a different taxing body,  
24 and not including an amount equal to the amount of refunds made  
25 during the second preceding calendar month by the Department,  
26 and not including any amount which the Department determines is

1 necessary to offset any amounts which are payable to a  
2 different taxing body but were erroneously paid to the  
3 municipality or county. Within 10 days after receipt, by the  
4 Comptroller, of the disbursement certification to the  
5 municipalities and counties, provided for in this Section to be  
6 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 the directions contained in such  
9 certification.

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

16 Section 35. Alternate bonds and general obligation bonds. A  
17 political subdivision shall have the power to issue alternate  
18 revenue and other general obligation bonds to finance the  
19 undertaking, establishment, or redevelopment of any STAR bond  
20 project as provided and pursuant to the procedures set forth in  
21 the Local Government Debt Reform Act. A political subdivision  
22 shall have the power to issue general obligation bonds to  
23 finance the undertaking, establishment, or redevelopment of  
24 any STAR bond project on approval by the voters of the  
25 political subdivision of a proposition authorizing the issue of

1 such bonds.

2 The full faith and credit of the State, any department,  
3 authority, public corporation or quasi-public corporation of  
4 the State, any State college or university, or any other public  
5 agency created by the State shall not be pledged for any  
6 payment under any obligation authorized by this Act.

7 Section 40. Amendments to STAR bond district. Any addition  
8 of real property to a STAR bond district or any substantial  
9 change to a STAR bond district plan shall be subject to the  
10 same procedure for public notice, hearing, and approval as is  
11 required for the establishment of the STAR bond district  
12 pursuant to this Act.

13 (a) The addition or removal of land to or from a STAR bond  
14 district shall require the consent of the master developer of  
15 the STAR bond district.

16 (b) Any land that is outside of, but is contiguous to an  
17 established STAR bond district and is subsequently owned,  
18 leased, or controlled by the master developer shall be added to  
19 a STAR bond district at the request of the master developer and  
20 by approval of the political subdivision, provided that the  
21 land becomes a part of a STAR bond project area.

22 (c) If a political subdivision has undertaken a STAR bond  
23 project within a STAR bond district, and the political  
24 subdivision desires to subsequently remove more than a de  
25 minimus amount of real property from the STAR bond district,

1 then prior to any removal of property the political subdivision  
2 must provide a revised feasibility study showing that the  
3 pledged STAR revenues from the resulting STAR bond district  
4 within which the STAR bond project is located are estimated to  
5 be sufficient to pay the project costs. If the revenue from the  
6 resulting STAR bond district is insufficient to pay the project  
7 costs, then the property may not be removed from the STAR bond  
8 district. Any removal of real property from a STAR bond  
9 district shall be approved by a resolution of the governing  
10 body of the political subdivision.

11 Section 45. Restrictions. No portion of a STAR bond project  
12 shall be financed with tax increment financing pursuant to the  
13 Tax Increment Allocation Redevelopment Act. During any period  
14 of time that STAR bonds are outstanding for a STAR bond  
15 district, a developer may not use any land located in the STAR  
16 bond district for any (i) retail store whose primary business  
17 is the sale of automobiles, including trucks and other  
18 automotive vehicles with 4 wheels designed for passenger  
19 transportation on public streets and thoroughfares or (ii)  
20 stadium or facility for playing National Association of Minor  
21 League Baseball or Professional Independent Baseball League  
22 games.

23 Section 50. Reporting taxes. Notwithstanding any other  
24 provisions of law to the contrary, the Department of Revenue



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

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

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

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

8 Section 55. Severability. If any provision of this Act or  
9 the application thereof to any persons or circumstances is held  
10 invalid, such invalidity shall not affect other provisions or  
11 application of the Act that can be given effect without the  
12 invalid provisions or application and to this end the  
13 provisions of this Act are declared to be severable.

14 Section 60. Open meetings and freedom of information. All  
15 public hearings related to the administration, formation,  
16 implementation, development, or construction of a STAR bond  
17 district, STAR bond district plan, STAR bond project, or STAR  
18 bond project plan, including but not limited to the public  
19 hearings required by Sections 15, 20, and 40 of this Act, shall  
20 be held in compliance with the Open Meetings Act. The public  
21 hearing records, feasibility study, and other documents that do  
22 not otherwise meet a confidentiality exemption shall be subject  
23 to the Freedom of Information Act.

1           Section 65. Powers of political subdivisions. The  
2 provisions of this Act are intended to be supplemental and in  
3 addition to all other power or authority granted to political  
4 subdivisions, shall be construed liberally, and shall not be  
5 construed as a limitation of any power or authority otherwise  
6 granted. In addition to the powers a political subdivision may  
7 have under other provisions of law, a political subdivision  
8 shall have all of the following powers in connection with a  
9 STAR bond district:

10           (a) To make and enter into all contracts necessary or  
11 incidental to the implementation and furtherance of a STAR  
12 bond district plan.

13           (b) Within a STAR bond district, to acquire by  
14 purchase, donation, or lease, and to own, convey, lease,  
15 mortgage, or dispose of land and other real or personal  
16 property or rights or interests in property and to grant or  
17 acquire licenses, easements, and options with respect to  
18 property, all in the manner and at a price the political  
19 subdivision determines is reasonably necessary to achieve  
20 the objectives of the STAR bond project.

21           (c) To clear any area within a STAR bond district by  
22 demolition or removal of any existing buildings,  
23 structures, fixtures, utilities, or improvements and to  
24 clear and grade land.

25           (d) To install, repair, construct, reconstruct, extend  
26 or relocate public streets, public utilities, and other

1 public site improvements located both within and outside  
2 the boundaries of a STAR bond district that are essential  
3 to the preparation of a STAR bond district for use in  
4 accordance with a STAR bond district plan.

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

8 (f) To install or construct any public buildings,  
9 structures, works, streets, improvements, utilities, or  
10 fixtures within a STAR bond district.

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

12 (h) Subject to the limitations set forth in the  
13 definition of "project costs" in Section 10 of this Act, to  
14 fix, charge, and collect fees, rents, and charges for the  
15 use of any building, facility, or property or any portion  
16 of a building, facility, or property owned or leased by the  
17 political subdivision in furtherance of a STAR bond project  
18 under this Act within a STAR bond district.

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

22 (j) To pay or cause to be paid STAR bond project costs,  
23 including, specifically, to reimburse any developer or  
24 nongovernmental person for STAR bond project costs  
25 incurred by that person. A political subdivision is not  
26 required to obtain any right, title, or interest in any

1 real or personal property in order to pay STAR bond project  
2 costs associated with the property. The political  
3 subdivision shall adopt accounting procedures necessary to  
4 determine that the STAR bond project costs are properly  
5 paid.

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

8 Section 66. The State Finance Act is amended by changing  
9 Sections 6z-18 and 6z-20 and by adding Section 5.719 as  
10 follows:

11 (30 ILCS 105/5.719 new)

12 Sec. 5.719. The STAR Bonds Revenue Fund.

13 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

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

1 distributed to each county based upon the sales which occurred  
2 in the unincorporated area of that county.

3 A portion of the money paid into the Local Government Tax  
4 Fund from the 6.25% general use tax rate on the selling price  
5 of tangible personal property which is purchased outside  
6 Illinois at retail from a retailer and which is titled or  
7 registered by any agency of this State's government shall be  
8 distributed to municipalities as provided in this paragraph.  
9 Each municipality shall receive the amount attributable to  
10 sales for which Illinois addresses for titling or registration  
11 purposes are given as being in such municipality. The remainder  
12 of the money paid into the Local Government Tax Fund from such  
13 sales shall be distributed to counties. Each county shall  
14 receive the amount attributable to sales for which Illinois  
15 addresses for titling or registration purposes are given as  
16 being located in the unincorporated area of such county.

17 A portion of the money paid into the Local Government Tax  
18 Fund from the 6.25% general rate (and, beginning July 1, 2000  
19 and through December 31, 2000, the 1.25% rate on motor fuel and  
20 gasohol) on sales subject to taxation under the Retailers'  
21 Occupation Tax Act and the Service Occupation Tax Act, which  
22 occurred in municipalities, shall be distributed to each  
23 municipality, based upon the sales which occurred in that  
24 municipality. The remainder shall be distributed to each  
25 county, based upon the sales which occurred in the  
26 unincorporated area of such county.

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

10 Whenever the Department determines that a refund of money  
11 paid into the Local Government Tax Fund should be made to a  
12 claimant instead of issuing a credit memorandum, the Department  
13 shall notify the State Comptroller, who shall cause the order  
14 to be drawn for the amount specified, and to the person named,  
15 in such notification from the Department. Such refund shall be  
16 paid by the State Treasurer out of the Local Government Tax  
17 Fund.

18 As soon as possible after the first day of each month,  
19 beginning January 1, 2010, 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 State sales tax increment, as defined in the STAR Bonds  
23 Financing Act, collected during the second preceding calendar  
24 month for sales within a STAR bond district and deposited into  
25 the Local Government Tax Fund.

26 After the monthly transfer to the STAR Bonds Revenue Fund,

1 on ~~or~~ or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities  
4 and counties, the municipalities and counties to be those  
5 entitled to distribution of taxes or penalties paid to the  
6 Department during the second preceding calendar month. The  
7 amount to be paid to each municipality or county shall be the  
8 amount (not including credit memoranda) collected during the  
9 second preceding calendar month by the Department and paid into  
10 the Local Government Tax Fund, plus an amount the Department  
11 determines is necessary to offset any amounts which were  
12 erroneously paid to a different taxing body, and not including  
13 an amount equal to the amount of refunds made during the second  
14 preceding calendar month by the Department, and not including  
15 any amount which the Department determines is necessary to  
16 offset any amounts which are payable to a different taxing body  
17 but were erroneously paid to the municipality or county, and  
18 not including any amounts that are transferred to the STAR  
19 Bonds Revenue Fund. Within 10 days after receipt, by the  
20 Comptroller, of the disbursement certification to the  
21 municipalities and counties, provided for in this Section to be  
22 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 the directions contained in such  
25 certification.

26 When certifying the amount of monthly disbursement to a



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

6 The provisions directing the distributions from the  
7 special fund in the State Treasury provided for in this Section  
8 shall constitute an irrevocable and continuing appropriation  
9 of all amounts as provided herein. The State Treasurer and  
10 State Comptroller are hereby authorized to make distributions  
11 as provided in this Section.

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

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

22 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

23 Sec. 6z-20. Of the money received from the 6.25% general  
24 rate (and, beginning July 1, 2000 and through December 31,  
25 2000, the 1.25% rate on motor fuel and gasohol) on sales

1 subject to taxation under the Retailers' Occupation Tax Act and  
2 Service Occupation Tax Act and paid into the County and Mass  
3 Transit District Fund, distribution to the Regional  
4 Transportation Authority tax fund, created pursuant to Section  
5 4.03 of the Regional Transportation Authority Act, for deposit  
6 therein shall be made based upon the retail sales occurring in  
7 a county having more than 3,000,000 inhabitants. The remainder  
8 shall be distributed to each county having 3,000,000 or fewer  
9 inhabitants based upon the retail sales occurring in each such  
10 county.

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

20 Of the money received from the 6.25% general use tax rate  
21 on tangible personal property which is purchased outside  
22 Illinois at retail from a retailer and which is titled or  
23 registered by any agency of this State's government and paid  
24 into the County and Mass Transit District Fund, the amount for  
25 which Illinois addresses for titling or registration purposes  
26 are given as being in each county having more than 3,000,000

1 inhabitants shall be distributed into the Regional  
2 Transportation Authority tax fund, created pursuant to Section  
3 4.03 of the Regional Transportation Authority Act. The  
4 remainder of the money paid from such sales shall be  
5 distributed to each county based on sales for which Illinois  
6 addresses for titling or registration purposes are given as  
7 being located in the county. Any money paid into the Regional  
8 Transportation Authority Occupation and Use Tax Replacement  
9 Fund from the County and Mass Transit District Fund prior to  
10 January 14, 1991, which has not been paid to the Authority  
11 prior to that date, shall be transferred to the Regional  
12 Transportation Authority tax fund.

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

21 As soon as possible after the first day of each month,  
22 beginning January 1, 2010, upon certification of the Department  
23 of Revenue, the Comptroller shall order transferred, and the  
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
25 State sales tax increment, as defined in the STAR Bonds  
26 Financing Act, collected during the second preceding calendar

1 month for sales within a STAR bond district and deposited into  
2 the County and Mass Transit District Fund.

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

1 in this Section to be given to the Comptroller by the  
2 Department, the Comptroller shall cause the orders to be drawn  
3 for the respective amounts in accordance with the directions  
4 contained in such certification.

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

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

20 In construing any development, redevelopment, annexation,  
21 preannexation or other lawful agreement in effect prior to  
22 September 1, 1990, which describes or refers to receipts from a  
23 county or municipal retailers' occupation tax, use tax or  
24 service occupation tax which now cannot be imposed, such  
25 description or reference shall be deemed to include the  
26 replacement revenue for such abolished taxes, distributed from

1 the County and Mass Transit District Fund or Local Government  
2 Distributive Fund, as the case may be.

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

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

6 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

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

25 No tax may be imposed by a home rule county pursuant to  
26 this Section unless the county also imposes a tax at the same

1 rate pursuant to Section 5-1007.

2 Persons subject to any tax imposed pursuant to the  
3 authority granted in this Section may reimburse themselves for  
4 their seller's tax liability hereunder by separately stating  
5 such tax as an additional charge, which charge may be stated in  
6 combination, in a single amount, with State tax which sellers  
7 are required to collect under the Use Tax Act, pursuant to such  
8 bracket 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 home rule county retailers' occupation tax  
16 fund.

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

20 As soon as possible after the first day of each month,  
21 beginning January 1, 2010, 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 named counties, the  
5 counties to be those from which retailers have paid taxes or  
6 penalties hereunder to the Department during the second  
7 preceding calendar month. The amount to be paid to each county  
8 shall be the amount (not including credit memoranda) collected  
9 hereunder during the second preceding calendar month by the  
10 Department plus an amount the Department determines is  
11 necessary to offset any amounts that were erroneously paid to a  
12 different taxing body, and not including an amount equal to the  
13 amount of refunds made during the second preceding calendar  
14 month by the Department on behalf of such county, and not  
15 including any amount which the Department determines is  
16 necessary to offset any amounts which were payable to a  
17 different taxing body but were erroneously paid to the county,  
18 and not including any amounts that are transferred to the STAR  
19 Bonds Revenue Fund. Within 10 days after receipt, by the  
20 Comptroller, of the disbursement certification to the counties  
21 provided for in this Section to be given to the Comptroller by  
22 the Department, the Comptroller shall cause the orders to be  
23 drawn for the respective amounts in accordance with the  
24 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 For the purpose of determining the local governmental unit  
15 whose tax is applicable, a retail sale by a producer of coal or  
16 other mineral mined in Illinois is a sale at retail at the  
17 place where the coal or other mineral mined in Illinois is  
18 extracted from the earth. This paragraph does not apply to coal  
19 or other mineral when it is delivered or shipped by the seller  
20 to the purchaser at a point outside Illinois so that the sale  
21 is exempt under the United States Constitution as a sale in  
22 interstate or foreign commerce.

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

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

1 copy thereof filed with the Department on or before the first  
2 day of October, whereupon the Department shall proceed to  
3 administer and enforce this Section as of the first day of  
4 January next following the adoption and filing.

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

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

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

14 (55 ILCS 5/5-1006.5)

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

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

1 those voting on the question. If imposed, this tax shall be  
2 imposed only in one-quarter percent increments. By resolution,  
3 the county board may order the proposition to be submitted at  
4 any election. If the tax is imposed for transportation purposes  
5 for expenditures for public highways or as authorized under the  
6 Illinois Highway Code, the county board must publish notice of  
7 the existence of its long-range highway transportation plan as  
8 required or described in Section 5-301 of the Illinois Highway  
9 Code and must make the plan publicly available prior to  
10 approval of the ordinance or resolution imposing the tax. If  
11 the tax is imposed for transportation purposes for expenditures  
12 for passenger rail transportation, the county board must  
13 publish notice of the existence of its long-range passenger  
14 rail transportation plan and must make the plan publicly  
15 available prior to approval of the ordinance or resolution  
16 imposing the tax. The county clerk shall certify the question  
17 to the proper election authority, who shall submit the  
18 proposition at an election in accordance with the general  
19 election law.

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

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

25 As additional information on the ballot below the  
26 question shall appear the following:

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

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

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

14           As additional information on the ballot below the  
15 question shall appear the following:

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

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

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

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

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

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

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

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

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

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. If imposed,

1 the additional tax would cease being collected at the end  
2 of (insert number of years), if not terminated earlier by a  
3 vote of the county board."

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

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

10 (3) The proposition for public facility purposes shall  
11 be in substantially the following form:

12 "To pay for public facility purposes, shall (name of  
13 county) be authorized to impose an increase on its share of  
14 local sales taxes by (insert rate)?"

15 As additional information on the ballot below the  
16 question shall appear the following:

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

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

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



1 county) be authorized to impose an increase on its share of  
2 local sales taxes by (insert rate) for a period not to  
3 exceed (insert number of years)?"

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. If imposed,  
9 the additional tax would cease being collected at the end  
10 of (insert number of years), if not terminated earlier by a  
11 vote of the county board."

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

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

24 If a majority of the electors voting on the proposition  
25 vote in favor of it, the county may impose the tax. A county  
26 may not submit more than one proposition authorized by this

1 Section to the electors at any one time.

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

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

12 Persons subject to any tax imposed under the authority  
13 granted in this Section may reimburse themselves for their  
14 sellers' tax liability by separately stating the tax as an  
15 additional charge, which charge may be stated in combination,  
16 in a single amount, with State tax which sellers are required  
17 to collect under the Use Tax Act, pursuant to such bracketed  
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 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 County Public Safety or Transportation  
26 Retailers' Occupation Tax Fund.

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

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

16 Persons subject to any tax imposed under the authority  
17 granted in this subsection may reimburse themselves for their  
18 serviceman's 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 that servicemen are  
21 authorized to collect under the Service Use Tax Act, in  
22 accordance with such bracket schedules as the Department may  
23 prescribe.

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

1 Comptroller, who shall cause the warrant to be drawn for the  
2 amount specified, and to the person named, in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the County Public Safety or Transportation  
5 Retailers' Occupation Fund.

6 Nothing in this subsection shall be construed to authorize  
7 the county 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 the State.

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

16 As soon as possible after the first day of each month,  
17 beginning January 1, 2010, upon certification of the Department  
18 of Revenue, the Comptroller shall order transferred, and the  
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
20 local sales tax increment, as defined in the STAR Bonds  
21 Financing Act, collected under this Section during the second  
22 preceding calendar month for sales within a STAR bond district.

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

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

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

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

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

23 (e-5) If a county imposes a tax under this Section, the  
24 county board may, by ordinance, discontinue or lower the rate  
25 of the tax. If the county board lowers the tax rate or  
26 discontinues the tax, a referendum must be held in accordance



1 with subsection (a) of this Section in order to increase the  
2 rate of the tax or to reimpose the discontinued tax.

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

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

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

24 (i) For purposes of this Section, "public safety" includes,  
25 but is not limited to, crime prevention, detention, fire  
26 fighting, police, medical, ambulance, or other emergency

1 services. For the purposes of this Section, "transportation"  
2 includes, but is not limited to, the construction, maintenance,  
3 operation, and improvement of public highways, any other  
4 purpose for which a county may expend funds under the Illinois  
5 Highway Code, and passenger rail transportation. For the  
6 purposes of this Section, "public facilities purposes"  
7 includes, but is not limited to, the acquisition, development,  
8 construction, reconstruction, rehabilitation, improvement,  
9 financing, architectural planning, and installation of capital  
10 facilities consisting of buildings, structures, and durable  
11 equipment and for the acquisition and improvement of real  
12 property and interest in real property required, or expected to  
13 be required, in connection with the public facilities, for use  
14 by the county for the furnishing of governmental services to  
15 its citizens, including but not limited to museums and nursing  
16 homes.

17 (j) The Department may promulgate rules to implement this  
18 amendatory Act of the 95th General Assembly only to the extent  
19 necessary to apply the existing rules for the Special County  
20 Retailers' Occupation Tax for Public Safety to this new purpose  
21 for public facilities.

22 (Source: P.A. 94-781, eff. 5-19-06; 95-474, eff. 1-1-08;  
23 95-1002, eff. 11-20-08.)

24 (55 ILCS 5/5-1006.7)

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

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

12           This additional tax may not be imposed on the sale of food  
13 for human consumption that is to be consumed off the premises  
14 where it is sold (other than alcoholic beverages, soft drinks,  
15 and food that has been prepared for immediate consumption) and  
16 prescription and non-prescription medicines, drugs, medical  
17 appliances and insulin, urine testing materials, syringes and  
18 needles used by diabetics. The Department of Revenue has full  
19 power to administer and enforce this subsection, to collect all  
20 taxes and penalties due under this subsection, to dispose of  
21 taxes and penalties so collected in the manner provided in this  
22 subsection, and to determine all rights to credit memoranda  
23 arising on account of the erroneous payment of a tax or penalty  
24 under this subsection. The Department shall deposit all taxes  
25 and penalties collected under this subsection into a special  
26 fund created for that purpose.

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

15           The certificate of registration that is issued by the  
16 Department to a retailer under the Retailers' Occupation Tax  
17 Act permits the retailer to engage in a business that is  
18 taxable without registering separately with the Department  
19 under an ordinance or resolution under this subsection.

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

1           (b) If a tax has been imposed under subsection (a), then a  
2 service occupation tax must also be imposed at the same rate  
3 upon all persons engaged, in the county, in the business of  
4 making sales of service, who, as an incident to making those  
5 sales of service, transfer tangible personal property within  
6 the county as an incident to a sale of service.

7           This tax may not be imposed on sales of food for human  
8 consumption that is to be consumed off the premises where it is  
9 sold (other than alcoholic beverages, soft drinks, and food  
10 prepared for immediate consumption) and prescription and  
11 non-prescription medicines, drugs, medical appliances and  
12 insulin, urine testing materials, syringes, and needles used by  
13 diabetics.

14           The tax imposed under this subsection and all civil  
15 penalties that may be assessed as an incident thereof shall be  
16 collected and enforced by the Department and deposited into a  
17 special fund created for that purpose. The Department has full  
18 power to administer and enforce this subsection, to collect all  
19 taxes and penalties due under this subsection, to dispose of  
20 taxes and penalties so collected in the manner provided in this  
21 subsection, and to determine all rights to credit memoranda  
22 arising on account of the erroneous payment of a tax or penalty  
23 under this subsection.

24           In the administration of and compliance with this  
25 subsection, the Department and persons who are subject to this  
26 subsection shall (i) have the same rights, remedies,

1 privileges, immunities, powers and duties, (ii) be subject to  
2 the same conditions, restrictions, limitations, penalties and  
3 definition of terms, and (iii) employ the same modes of  
4 procedure as are set forth in Sections 2 (except that that  
5 reference to State in the definition of supplier maintaining a  
6 place of business in this State means the county), 2a through  
7 2d, 3 through 3-50 (in respect to all provisions contained in  
8 those Sections other than the State rate of tax), 4 (except  
9 that the reference to the State shall be to the county), 5, 7,  
10 8 (except that the jurisdiction to which the tax is a debt to  
11 the extent indicated in that Section 8 is the county), 9  
12 (except as to the disposition of taxes and penalties  
13 collected), 10, 11, 12 (except the reference therein to Section  
14 2b of the Retailers' Occupation Tax Act), 13 (except that any  
15 reference to the State means the county), Section 15, 16, 17,  
16 18, 19, and 20 of the Service 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 Persons subject to any tax imposed under the authority  
20 granted in this subsection may reimburse themselves for their  
21 serviceman's tax liability by separately stating the tax as an  
22 additional charge, which may be stated in combination, in a  
23 single amount, with State tax that servicemen are authorized to  
24 collect under the Service Use Tax Act, pursuant to any  
25 bracketed schedules set forth by the Department.

26 (c) The tax under this Section may not be imposed until, by

1 ordinance or resolution of the county board, the question of  
2 imposing the tax has been submitted to the electors of the  
3 county at a regular election and approved by a majority of the  
4 electors voting on the question. Upon a resolution by the  
5 county board or a resolution by school district boards that  
6 represent at least 51% of the student enrollment within the  
7 county, the county board must certify the question to the  
8 proper election authority in accordance with the Election Code.

9 The election authority must submit the question in  
10 substantially the following form:

11 Shall (name of county) be authorized to impose a  
12 retailers' occupation tax and a service occupation tax  
13 (commonly referred to as a "sales tax") at a rate of  
14 (insert rate) to be used exclusively for school facility  
15 purposes?

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

17 If a majority of the electors voting on the question vote  
18 in the affirmative, then the county may, thereafter, impose the  
19 tax.

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

25 (d) The Department shall immediately pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected under this Section to be deposited into the School  
2 Facility Occupation Tax Fund, which shall be an unappropriated  
3 trust fund held outside the State treasury.

4 As soon as possible after the first day of each month,  
5 beginning January 1, 2010, upon certification of the Department  
6 of Revenue, the Comptroller shall order transferred, and the  
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
8 local sales tax increment, as defined in the STAR Bonds  
9 Financing Act, collected under this Section during the second  
10 preceding calendar month for sales within a STAR bond district.

11 After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on ~~on~~ or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to the regional  
15 superintendents of schools in counties from which retailers or  
16 servicemen have paid taxes or penalties to the Department  
17 during the second preceding calendar month. The amount to be  
18 paid to each regional superintendent of schools and disbursed  
19 to him or her in accordance with 3-14.31 of the School Code, is  
20 equal to the amount (not including credit memoranda) collected  
21 from the county under this Section during the second preceding  
22 calendar month by the Department, (i) less 2% of that amount,  
23 which shall be deposited 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 and enforcing the provisions of this Section,



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

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

22 If the Department determines that a refund should be made  
23 under this Section to a claimant instead of issuing a credit  
24 memorandum, then the Department shall notify the Comptroller,  
25 who shall cause the order to be drawn for the amount specified  
26 and to the person named in the notification from the

1 Department. The refund shall be paid by the Treasurer out of  
2 the School Facility Occupation Tax Fund.

3 (e) For the purposes of determining the local governmental  
4 unit whose tax is applicable, a retail sale by a producer of  
5 coal or another 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 subsection does not apply to  
8 coal or another 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 United States Constitution as a sale  
11 in interstate or foreign commerce.

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

16 (g) If a county board imposes a tax under this Section,  
17 then the board may, by ordinance, discontinue or reduce the  
18 rate of the tax. If, however, a school board issues bonds that  
19 are backed by the proceeds of the tax under this Section, then  
20 the county board may not reduce the tax rate or discontinue the  
21 tax if that rate reduction or discontinuance would inhibit the  
22 school board's ability to pay the principal and interest on  
23 those bonds as they become due. If the county board reduces the  
24 tax rate or discontinues the tax, then a referendum must be  
25 held in accordance with subsection (c) of this Section in order  
26 to increase the rate of the tax or to reimpose the discontinued

1 tax.

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

14 (h) For purposes of this Section, "school facility  
15 purposes" means the acquisition, development, construction,  
16 reconstruction, rehabilitation, improvement, financing,  
17 architectural planning, and installation of capital facilities  
18 consisting of buildings, structures, and durable equipment and  
19 for the acquisition and improvement of real property and  
20 interest in real property required, or expected to be required,  
21 in connection with the capital facilities. "School-facility  
22 purposes" also includes fire prevention, safety, energy  
23 conservation, disabled accessibility, school security, and  
24 specified repair purposes set forth under Section 17-2.11 of  
25 the School Code.

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

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

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

4 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

5 Sec. 5-1007. Home Rule County Service Occupation Tax Law.  
6 The corporate authorities of a home rule county may impose a  
7 tax upon all persons engaged, in such county, in the business  
8 of making sales of service at the same rate of tax imposed  
9 pursuant to Section 5-1006 of the selling price of all tangible  
10 personal property transferred by such servicemen 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. If imposed, such  
13 tax shall only be imposed in 1/4% increments. On and after  
14 September 1, 1991, this additional tax may not be imposed on  
15 the sales of food for human consumption which is to be consumed  
16 off the premises where it is sold (other than alcoholic  
17 beverages, soft drinks and food which has been prepared for  
18 immediate consumption) and prescription and nonprescription  
19 medicines, drugs, medical appliances and insulin, urine  
20 testing materials, syringes and needles used by diabetics. The  
21 tax imposed by a home rule county pursuant to this Section and  
22 all civil penalties that may be assessed as an incident thereof  
23 shall be collected and enforced by the State Department of  
24 Revenue. The certificate of registration which is issued by the  
25 Department to a retailer under the Retailers' Occupation Tax

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

1 that any reference to the State shall mean the taxing county),  
2 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the  
3 Service Occupation Tax Act and Section 3-7 of the Uniform  
4 Penalty and Interest Act, as fully as if those provisions were  
5 set forth herein.

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

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

17 Whenever the Department determines that a refund should be  
18 made under this Section to a claimant instead of issuing credit  
19 memorandum, the Department shall notify the State Comptroller,  
20 who shall cause the order to be drawn for the amount specified,  
21 and to the person named, in such notification from the  
22 Department. Such refund shall be paid by the State Treasurer  
23 out of the home rule county retailers' occupation tax fund.

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

1       As soon as possible after the first day of each month,  
2       beginning January 1, 2010, 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       After the monthly transfer to the STAR Bonds Revenue Fund,  
9       on ~~or~~ or before the 25th day of each calendar month, the  
10       Department shall prepare and certify to the Comptroller the  
11       disbursement of stated sums of money to named counties, the  
12       counties to be those from which suppliers and servicemen have  
13       paid taxes or penalties hereunder to the Department during the  
14       second preceding calendar month. The amount to be paid to each  
15       county shall be the amount (not including credit memoranda)  
16       collected hereunder during the second preceding calendar month  
17       by the Department, and not including an amount equal to the  
18       amount of refunds made during the second preceding calendar  
19       month by the Department on behalf of such county, and not  
20       including any amounts that are transferred to the STAR Bonds  
21       Revenue Fund. Within 10 days after receipt, by the Comptroller,  
22       of the disbursement certification to the counties provided for  
23       in this Section to be given to the Comptroller by the  
24       Department, the Comptroller shall cause the orders to be drawn  
25       for the respective amounts in accordance with the directions  
26       contained in such certification.

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

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

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



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

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

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

1           Section 70. The Illinois Municipal Code is amended by  
2 changing Sections 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,  
3 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:

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

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

22           Notice of any such election shall contain the amount of the  
23 bond issue, purpose for which issued, and maximum rate of  
24 interest.

25           However, without the submission of the question of issuing

1 bonds to the electors, the corporate authorities of any  
2 municipality may authorize the issuance of any of the following  
3 bonds:

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

5 (2) Bonds to fund or refund any existing judgment  
6 indebtedness;

7 (3) In any municipality of less than 500,000 population,  
8 bonds to anticipate the collection of installments of special  
9 assessments and special taxes against property owned by the  
10 municipality and to anticipate the collection of the amount  
11 apportioned to the municipality as public benefits under  
12 Article 9;

13 (4) Bonds issued by any municipality under Sections 8-4-15  
14 through 8-4-23, 11-23-1 through 11-23-12, 11-25-1 through  
15 11-26-6, 11-71-1 through 11-71-10, 11-74.4-1 through  
16 11-74.4-11, 11-74.5-1 through 11-74.5-15, 11-94-1 through  
17 11-94-7, 11-102-1 through 11-102-10, 11-103-11 through  
18 11-103-15, 11-118-1 through 11-118-6, 11-119-1 through  
19 11-119-5, 11-129-1 through 11-129-7, 11-133-1 through  
20 11-133-4, 11-139-1 through 11-139-12, 11-141-1 through  
21 11-141-18 of this Code or 10-801 through 10-808 of the Illinois  
22 Highway Code, as amended;

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

26 (6) Bonds issued by any municipality under the provisions

1 of Division 6 of this Article 8; and by any municipality under  
2 the provisions of Division 7 of this Article 8; or under the  
3 provisions of Sections 11-121-4 and 11-121-5;

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

7 (8) Bonds issued by any municipality under Sections 15 and  
8 46 of the "Environmental Protection Act", approved June 29,  
9 1970;

10 (9) Bonds issued by the corporate authorities of any  
11 municipality under the provisions of Section 8-4-25 of this  
12 Article 8;

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

15 (11) Bonds issued under the provisions of "An Act to  
16 provide the manner of levying or imposing taxes for the  
17 provision of special services to areas within the boundaries of  
18 home rule units and nonhome rule municipalities and counties",  
19 approved September 21, 1973;

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

21 (13) Bonds to finance the cost of the acquisition,  
22 construction or improvement of water or wastewater treatment  
23 facilities mandated by an enforceable compliance schedule  
24 developed in connection with the federal Clean Water Act or a  
25 compliance order issued by the United States Environmental  
26 Protection Agency or the Illinois Pollution Control Board;

1 provided that such bonds are authorized by an ordinance adopted  
2 by a three-fifths majority of the corporate authorities of the  
3 municipality issuing the bonds which ordinance shall specify  
4 that the construction or improvement of such facilities is  
5 necessary to alleviate an emergency condition in such  
6 municipality;

7 (14) Bonds issued by any municipality pursuant to Section  
8 11-113.1-1;

9 (15) Bonds issued under Sections 11-74.6-1 through  
10 11-74.6-45, the Industrial Jobs Recovery Law of this Code.

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

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

15 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

16 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
17 Act. The corporate authorities of a home rule municipality may  
18 impose a tax upon all persons engaged in the business of  
19 selling tangible personal property, other than an item of  
20 tangible personal property titled or registered with an agency  
21 of this State's government, at retail in the municipality on  
22 the gross receipts from these sales made in the course of such  
23 business. If imposed, the tax shall only be imposed in 1/4%  
24 increments. On and after September 1, 1991, this additional tax  
25 may not be imposed on the sales of food for human consumption

1 that is to be consumed off the premises where it is sold (other  
2 than alcoholic beverages, soft drinks and food that has been  
3 prepared for immediate consumption) and prescription and  
4 nonprescription medicines, drugs, medical appliances and  
5 insulin, urine testing materials, syringes and needles used by  
6 diabetics. The tax imposed by a home rule municipality under  
7 this Section and all civil penalties that may be assessed as an  
8 incident of the tax shall be collected and enforced by the  
9 State Department of Revenue. 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 under any ordinance or  
13 resolution enacted pursuant to this Section without  
14 registering separately with the Department under such  
15 ordinance or resolution or under this Section. The Department  
16 shall have full power to administer and enforce this Section;  
17 to collect all taxes and penalties due hereunder; to dispose of  
18 taxes and penalties so collected in the manner hereinafter  
19 provided; and to determine all rights to credit memoranda  
20 arising on account of the erroneous payment of tax or penalty  
21 hereunder. In the administration of, and compliance with, this  
22 Section the Department and persons who are subject to this  
23 Section shall have the same rights, remedies, privileges,  
24 immunities, powers and duties, and be subject to the same  
25 conditions, restrictions, limitations, penalties and  
26 definitions of terms, and employ the same modes of procedure,

1 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,  
2 1m, 1n, 2 through 2-65 (in respect to all provisions therein  
3 other than the State rate of tax), 2c, 3 (except as to the  
4 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
5 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9,  
6 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
7 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
8 as if those provisions were set forth herein.

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

12 Persons subject to any tax imposed under the authority  
13 granted in this Section may reimburse themselves for their  
14 seller's tax liability hereunder by separately stating that tax  
15 as an additional charge, which charge may be stated in  
16 combination, in a single amount, with State tax which sellers  
17 are required to collect under the Use Tax Act, pursuant to such  
18 bracket 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 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 home rule municipal retailers' occupation  
26 tax fund.

1           The Department shall immediately pay over to the State  
2 Treasurer, ex officio, as trustee, all taxes and penalties  
3 collected hereunder.

4           As soon as possible after the first day of each month,  
5 beginning January 1, 2010, upon certification of the Department  
6 of Revenue, the Comptroller shall order transferred, and the  
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
8 local sales tax increment, as defined in the STAR Bonds  
9 Financing Act, collected under this Section during the second  
10 preceding calendar month for sales within a STAR bond district.

11           After the monthly transfer to the STAR Bonds Revenue Fund,  
12 on ~~on~~ or before the 25th day of each calendar month, the  
13 Department shall prepare and certify to the Comptroller the  
14 disbursement of stated sums of money to named municipalities,  
15 the municipalities to be those from which retailers have paid  
16 taxes or penalties hereunder to the Department during the  
17 second preceding calendar month. The amount to be paid to each  
18 municipality shall be the amount (not including credit  
19 memoranda) collected hereunder during the second preceding  
20 calendar month by the Department plus an amount the Department  
21 determines is necessary to offset any amounts that were  
22 erroneously paid to a different taxing body, and not including  
23 an amount equal to the amount of refunds made during the second  
24 preceding calendar month by the Department on behalf of such  
25 municipality, and not including any amount that the Department  
26 determines is necessary to offset any amounts that were payable



1 to a different taxing body but were erroneously paid to the  
2 municipality, and not including any amounts that are  
3 transferred to the STAR Bonds Revenue Fund. Within 10 days  
4 after receipt by the Comptroller of the disbursement  
5 certification to the municipalities provided for in this  
6 Section to be given to the Comptroller by the Department, the  
7 Comptroller shall cause the orders to be drawn for the  
8 respective amounts in accordance with the directions contained  
9 in the certification.

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

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

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 United States 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 An ordinance or resolution imposing or discontinuing a tax  
7 hereunder or effecting a change in the rate thereof shall be  
8 adopted and a certified copy thereof filed with the Department  
9 on or before the first day of June, whereupon the Department  
10 shall proceed to administer and enforce this Section as of the  
11 first day of September next following the adoption and filing.  
12 Beginning January 1, 1992, an ordinance or resolution imposing  
13 or discontinuing the 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 July,  
16 whereupon the Department shall proceed to administer and  
17 enforce this Section as of the first day of October next  
18 following such adoption and filing. Beginning January 1, 1993,  
19 an ordinance or resolution imposing or discontinuing the tax  
20 hereunder or effecting a change in the rate thereof shall be  
21 adopted and a certified copy thereof filed with the Department  
22 on or before the first day of October, whereupon the Department  
23 shall proceed to administer and enforce this Section as of the  
24 first day of January next following the adoption and filing.  
25 However, a municipality located in a county with a population  
26 in excess of 3,000,000 that elected to become a home rule unit

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

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

23 Any unobligated balance remaining in the Municipal  
24 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
25 was abolished by Public Act 85-1135, and all receipts of  
26 municipal tax as a result of audits of liability periods prior

1 to January 1, 1990, shall be paid into the Local Government Tax  
2 Fund for distribution as provided by this Section prior to the  
3 enactment of Public Act 85-1135. All receipts of municipal tax  
4 as a result of an assessment not arising from an audit, for  
5 liability periods prior to January 1, 1990, shall be paid into  
6 the Local Government Tax Fund for distribution before July 1,  
7 1990, as provided by this Section prior to the enactment of  
8 Public Act 85-1135; and on and after July 1, 1990, all such  
9 receipts shall be distributed as provided in Section 6z-18 of  
10 the State Finance Act.

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

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

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

17 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

18 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
19 Occupation Tax Act. The corporate authorities of a non-home  
20 rule municipality may impose a tax upon all persons engaged in  
21 the business of selling tangible personal property, other than  
22 on an item of tangible personal property which is titled and  
23 registered by an agency of this State's Government, at retail  
24 in the municipality for expenditure on public infrastructure or  
25 for property tax relief or both as defined in Section 8-11-1.2

1 if approved by referendum as provided in Section 8-11-1.1, of  
2 the gross receipts from such sales made in the course of such  
3 business. The tax imposed may not be more than 1% and may be  
4 imposed only in 1/4% increments. The tax may not be imposed on  
5 the sale of food for human consumption that is to be consumed  
6 off the premises where it is sold (other than alcoholic  
7 beverages, soft drinks, and food that has been prepared for  
8 immediate consumption) and prescription and nonprescription  
9 medicines, drugs, medical appliances, and insulin, urine  
10 testing materials, syringes, and needles used by diabetics. The  
11 tax imposed by a municipality pursuant to this Section and all  
12 civil penalties that may be assessed as an incident thereof  
13 shall be collected and enforced by the State Department of  
14 Revenue. The certificate of registration which is issued by the  
15 Department to a retailer under the Retailers' Occupation Tax  
16 Act shall permit such retailer to engage in a business which is  
17 taxable under any ordinance or resolution enacted pursuant to  
18 this Section without registering separately with the  
19 Department under such ordinance or resolution or under this  
20 Section. The Department shall have full power to administer and  
21 enforce this Section; to collect all taxes and penalties due  
22 hereunder; to dispose of taxes and penalties so collected in  
23 the manner hereinafter provided, and to determine all rights to  
24 credit memoranda, arising on account of the erroneous payment  
25 of tax or penalty hereunder. In the administration of, and  
26 compliance with, this Section, the Department and persons who

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

13 No municipality may impose a tax under this Section unless  
14 the municipality also imposes a tax at the same rate under  
15 Section 8-11-1.4 of this Code.

16 Persons subject to any tax imposed pursuant to the  
17 authority granted in this Section may reimburse themselves for  
18 their seller's tax liability hereunder by separately stating  
19 such tax as an additional charge, which charge may be stated in  
20 combination, in a single amount, with State tax which sellers  
21 are required to collect under the Use Tax Act, pursuant to such  
22 bracket 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 such notification  
2 from the Department. Such refund shall be paid by the State  
3 Treasurer out of the non-home rule municipal retailers'  
4 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, 2010, 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 ~~or~~ 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 municipalities,  
19 the municipalities to be those from which retailers have paid  
20 taxes or penalties hereunder to the Department during the  
21 second preceding calendar month. The amount to be paid to each  
22 municipality shall be the amount (not including credit  
23 memoranda) collected hereunder during the second preceding  
24 calendar month by the Department plus an amount the Department  
25 determines is necessary to offset any amounts which were  
26 erroneously paid to a different taxing body, and not including



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

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

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

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

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

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

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

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

16           (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

17           Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation  
18 Tax Act. The corporate authorities of a non-home rule  
19 municipality may impose a tax upon all persons engaged, in such  
20 municipality, in the business of making sales of service for  
21 expenditure on public infrastructure or for property tax relief  
22 or both as defined in Section 8-11-1.2 if approved by  
23 referendum as provided in Section 8-11-1.1, of the selling  
24 price of all tangible personal property transferred by such  
25 servicemen either in the form of tangible personal property or

1 in the form of real estate as an incident to a sale of service.  
2 The tax imposed may not be more than 1% and may be imposed only  
3 in 1/4% increments. The tax may not be imposed on the sale of  
4 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. The tax  
10 imposed by a municipality pursuant to this Section and all  
11 civil penalties that may be assessed as an incident thereof  
12 shall be collected and enforced by the State Department of  
13 Revenue. The certificate of registration which is issued by the  
14 Department to a retailer under the Retailers' Occupation Tax  
15 Act or under the Service Occupation Tax Act shall permit such  
16 registrant to engage in a business which is taxable under any  
17 ordinance or resolution enacted pursuant to this Section  
18 without registering separately with the Department under such  
19 ordinance or resolution or under this Section. The Department  
20 shall have full power to administer and enforce this Section;  
21 to collect all taxes and penalties due hereunder; to dispose of  
22 taxes and penalties so collected in the manner hereinafter  
23 provided, and to determine all rights to credit memoranda  
24 arising on account of the erroneous payment of tax or penalty  
25 hereunder. In the administration of, and compliance with, this  
26 Section the Department and persons who are subject to this

1 Section shall have the same rights, remedies, privileges,  
2 immunities, powers and duties, and be subject to the same  
3 conditions, restrictions, limitations, penalties and  
4 definitions of terms, and employ the same modes of procedure,  
5 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in  
6 respect to all provisions therein other than the State rate of  
7 tax), 4 (except that the reference to the State shall be to the  
8 taxing municipality), 5, 7, 8 (except that the jurisdiction to  
9 which the tax shall be a debt to the extent indicated in that  
10 Section 8 shall be the taxing municipality), 9 (except as to  
11 the disposition of taxes and penalties collected, and except  
12 that the returned merchandise credit for this municipal tax may  
13 not be taken against any State tax), 10, 11, 12 (except the  
14 reference therein to Section 2b of the Retailers' Occupation  
15 Tax Act), 13 (except that any reference to the State shall mean  
16 the taxing municipality), the first paragraph of Section 15,  
17 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and  
18 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
19 as 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 8-11-1.3 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 serviceman's tax liability hereunder by separately  
26 stating such tax as an additional charge, which charge may be

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

5 Whenever the Department determines that a refund should be  
6 made under this Section to a claimant instead of issuing credit  
7 memorandum, the Department shall notify the State Comptroller,  
8 who shall cause the order to be drawn for the amount specified,  
9 and to the person named, in such notification from the  
10 Department. Such refund shall be paid by the State Treasurer  
11 out of the municipal retailers' 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, 2010, 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 ~~or~~ 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 suppliers and

1 servicemen have paid taxes or penalties hereunder to the  
2 Department during the second preceding calendar month. The  
3 amount to be paid to each municipality shall be the amount (not  
4 including credit memoranda) collected hereunder during the  
5 second preceding calendar month by the Department, and not  
6 including an amount equal to the amount of refunds made during  
7 the second preceding calendar month by the Department on behalf  
8 of such municipality, and not including any amounts that are  
9 transferred to the STAR Bonds Revenue Fund. Within 10 days  
10 after receipt, by the Comptroller, of the disbursement  
11 certification to the municipalities and the General Revenue  
12 Fund, provided for in this Section to be given to the  
13 Comptroller by the Department, the Comptroller shall cause the  
14 orders to be drawn for the respective amounts in accordance  
15 with the directions contained in such certification.

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

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

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

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

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

4           (65 ILCS 5/8-11-1.6)

5           Sec. 8-11-1.6. Non-home rule municipal retailers  
6 occupation tax; municipalities between 20,000 and 25,000. The  
7 corporate authorities of a non-home rule municipality with a  
8 population of more than 20,000 but less than 25,000 that has,  
9 prior to January 1, 1987, established a Redevelopment Project  
10 Area that has been certified as a State Sales Tax Boundary and  
11 has issued bonds or otherwise incurred indebtedness to pay for  
12 costs in excess of \$5,000,000, which is secured in part by a  
13 tax increment allocation fund, in accordance with the  
14 provisions of Division 11-74.4 of this Code may, by passage of  
15 an ordinance, impose a tax upon all persons engaged in the  
16 business of selling tangible personal property, other than on  
17 an item of tangible personal property that is titled and  
18 registered by an agency of this State's Government, at retail  
19 in the municipality. This tax may not be imposed on the sales  
20 of food for human consumption that is to be consumed off the  
21 premises where it is sold (other than alcoholic beverages, soft  
22 drinks, and food that has been prepared for immediate  
23 consumption) and prescription and nonprescription medicines,  
24 drugs, medical appliances and insulin, urine testing  
25 materials, syringes, and needles used by diabetics. If imposed,

1 the tax shall only be imposed in .25% increments of the gross  
2 receipts from such sales made in the course of business. Any  
3 tax imposed by a municipality under this Sec. 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. An  
6 ordinance imposing a 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  
9 October, whereupon the Department shall proceed to administer  
10 and enforce this Section as of the first day of January next  
11 following such adoption and filing. The certificate of  
12 registration that is issued by the Department to a retailer  
13 under the Retailers' Occupation Tax Act shall permit the  
14 retailer to engage in a business that is taxable under any  
15 ordinance or resolution enacted under this Section without  
16 registering separately with the Department under the ordinance  
17 or resolution or under this Section. The Department shall have  
18 full power to administer and enforce this Section, to collect  
19 all taxes and penalties due hereunder, to dispose of taxes and  
20 penalties so collected in the manner hereinafter provided, and  
21 to determine all rights to credit memoranda, arising on account  
22 of the erroneous payment of tax or penalty hereunder. In the  
23 administration of, and compliance with this Section, the  
24 Department and persons who are subject to this Section shall  
25 have the same rights, remedies, privileges, immunities,  
26 powers, and duties, and be subject to the same conditions,



1 restrictions, limitations, penalties, and definitions of  
2 terms, and employ the same modes of procedure, as are  
3 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
4 through 2-65 (in respect to all provisions therein other than  
5 the State rate of tax), 2c, 3 (except as to the disposition of  
6 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
7 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and  
8 13 of the Retailers' Occupation Tax Act and Section 3-7 of the  
9 Uniform Penalty and Interest Act as fully as if those  
10 provisions were set forth herein.

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

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

21 Whenever the Department determines that a refund should be  
22 made under this Section to a claimant, instead of issuing a  
23 credit memorandum, the Department shall notify the State  
24 Comptroller, who shall cause the order 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 Non-Home Rule Municipal Retailers'  
2 Occupation Tax Fund, which is hereby created.

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

6 As soon as possible after the first day of each month,  
7 beginning January 1, 2010, upon certification of the Department  
8 of Revenue, the Comptroller shall order transferred, and the  
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
10 local sales tax increment, as defined in the STAR Bonds  
11 Financing Act, collected under this Section during the second  
12 preceding calendar month for sales within a STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,  
14 on ~~on~~ or before the 25th day of each calendar month, the  
15 Department shall prepare and certify to the Comptroller the  
16 disbursement of stated sums of money to named municipalities,  
17 the municipalities to be those from which retailers have paid  
18 taxes or penalties hereunder to the Department during the  
19 second preceding calendar month. The amount to be paid to each  
20 municipality shall be the amount (not including credit  
21 memoranda) collected hereunder during the second preceding  
22 calendar month by the Department plus an amount the Department  
23 determines is necessary to offset any amounts that were  
24 erroneously paid to a different taxing body, and not including  
25 an amount equal to the amount of refunds made during the second  
26 preceding calendar month by the Department on behalf of the

1 municipality, and not including any amount that the Department  
2 determines is necessary to offset any amounts that were payable  
3 to a different taxing body but were erroneously paid to the  
4 municipality, and not including any amounts that are  
5 transferred to the STAR Bonds Revenue Fund. Within 10 days  
6 after receipt by the Comptroller of the disbursement  
7 certification to the municipalities 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 the certification.

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 federal Constitution as a sale in  
20 interstate or foreign commerce.

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

25 When certifying the amount of a monthly disbursement to a  
26 municipality under this Section, the Department shall increase

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

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

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

9 (65 ILCS 5/8-11-1.7)

10 Sec. 8-11-1.7. Non-home rule municipal service occupation  
11 tax; municipalities between 20,000 and 25,000. The corporate  
12 authorities of a non-home rule municipality with a population  
13 of more than 20,000 but less than 25,000 as determined by the  
14 last preceding decennial census that has, prior to January 1,  
15 1987, established a Redevelopment Project Area that has been  
16 certified as a State Sales Tax Boundary and has issued bonds or  
17 otherwise incurred indebtedness to pay for costs in excess of  
18 \$5,000,000, which is secured in part by a tax increment  
19 allocation fund, in accordance with the provisions of Division  
20 11-74.7 of this Code may, by passage of an ordinance, impose a  
21 tax upon all persons engaged in the municipality in the  
22 business of making sales of service. If imposed, the tax shall  
23 only be imposed in .25% increments of the selling price of all  
24 tangible personal property transferred by such servicemen  
25 either in the form of tangible personal property or in the form

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

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

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

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

8 Whenever the Department determines that a refund should be  
9 made under this Section to a claimant instead of issuing credit  
10 memorandum, the Department shall notify the State Comptroller,  
11 who shall cause the order to be drawn for the amount specified,  
12 and to the person named, in such notification from the  
13 Department. The refund shall be paid by the State Treasurer out  
14 of the Non-Home Rule Municipal Retailers' Occupation Tax 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, 2010, 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 ~~On~~ 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 municipalities,  
3 the municipalities to be those from which suppliers and  
4 servicemen have paid taxes or penalties hereunder to the  
5 Department during the second preceding calendar month. The  
6 amount to be paid to each municipality shall be the amount (not  
7 including credit memoranda) collected hereunder during the  
8 second preceding calendar month by the Department, and not  
9 including an amount equal to the amount of refunds made during  
10 the second preceding calendar month by the Department on behalf  
11 of such 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 and the General Revenue  
15 Fund, provided for in this Section to be given to the  
16 Comptroller by the Department, the Comptroller shall cause the  
17 orders to be drawn for the respective amounts in accordance  
18 with the directions contained in the certification.

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

25 Nothing in this Section shall be construed to authorize a  
26 municipality to impose a tax upon the privilege of engaging in



1 any business which under the constitution of the United States  
2 may not be made the subject of taxation by this State.

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

4 (65 ILCS 5/8-11-5) (from Ch. 24, par. 8-11-5)

5 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax  
6 Act. The corporate authorities of a home rule municipality may  
7 impose a tax upon all persons engaged, in such municipality, in  
8 the business of making sales of service at the same rate of tax  
9 imposed pursuant to Section 8-11-1, of the selling price of all  
10 tangible personal property transferred by such servicemen  
11 either in the form of tangible personal property or in the form  
12 of real estate as an incident to a sale of service. If imposed,  
13 such tax shall only be imposed in 1/4% increments. On and after  
14 September 1, 1991, this additional tax may not be imposed on  
15 the sales of food for human consumption which is to be consumed  
16 off the premises where it is sold (other than alcoholic  
17 beverages, soft drinks and food which has been prepared for  
18 immediate consumption) and prescription and nonprescription  
19 medicines, drugs, medical appliances and insulin, urine  
20 testing materials, syringes and needles used by diabetics. The  
21 tax imposed by a home rule municipality pursuant to this  
22 Section and all civil penalties that may be assessed as an  
23 incident thereof shall be collected and enforced by the State  
24 Department of Revenue. The certificate of registration which is  
25 issued by the Department to a retailer under the Retailers'

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

1 2b of the Retailers' Occupation Tax Act), 13 (except that any  
2 reference to the State shall mean the taxing municipality), the  
3 first paragraph of Section 15, 16, 17 (except that credit  
4 memoranda issued hereunder may not be used to discharge any  
5 State tax liability), 18, 19 and 20 of the Service Occupation  
6 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
7 Act, as fully as if those provisions were set forth herein.

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

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

19 Whenever the Department determines that a refund should be  
20 made under this Section to a claimant instead of issuing credit  
21 memorandum, the Department shall notify the State Comptroller,  
22 who shall cause the order to be drawn for the amount specified,  
23 and to the person named, in such notification from the  
24 Department. Such refund shall be paid by the State Treasurer  
25 out of the home rule municipal retailers' occupation tax fund.

26 The Department shall forthwith pay over to the State

1 Treasurer, ex-officio, as trustee, all taxes and penalties  
2 collected hereunder.

3 As soon as possible after the first day of each month,  
4 beginning January 1, 2010, 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 After the monthly transfer to the STAR Bonds Revenue Fund,  
11 on ~~on~~ or before the 25th day of each calendar month, the  
12 Department shall prepare and certify to the Comptroller the  
13 disbursement of stated sums of money to named municipalities,  
14 the municipalities to be those from which suppliers and  
15 servicemen have paid taxes or penalties hereunder to the  
16 Department during the second preceding calendar month. The  
17 amount to be paid to each municipality shall be the amount (not  
18 including credit memoranda) collected hereunder during the  
19 second preceding calendar month by the Department, and not  
20 including an amount equal to the amount of refunds made during  
21 the second preceding calendar month by the Department on behalf  
22 of such municipality, and not including any amounts that are  
23 transferred to the STAR Bonds Revenue Fund. Within 10 days  
24 after receipt, by the Comptroller, of the disbursement  
25 certification to the municipalities, provided for in this  
26 Section to be given to the Comptroller by the Department, the

1 Comptroller shall cause the orders to be drawn for the  
2 respective amounts in accordance with the directions contained  
3 in such certification.

4 In addition to the disbursement required by the preceding  
5 paragraph and in order to mitigate delays caused by  
6 distribution procedures, an allocation shall, if requested, be  
7 made within 10 days after January 14, 1991, and in November of  
8 1991 and each year thereafter, to each municipality that  
9 received more than \$500,000 during the preceding fiscal year,  
10 (July 1 through June 30) whether collected by the municipality  
11 or disbursed by the Department as required by this Section.  
12 Within 10 days after January 14, 1991, participating  
13 municipalities shall notify the Department in writing of their  
14 intent to participate. In addition, for the initial  
15 distribution, participating municipalities shall certify to  
16 the Department the amounts collected by the municipality for  
17 each month under its home rule occupation and service  
18 occupation tax during the period July 1, 1989 through June 30,  
19 1990. The allocation within 10 days after January 14, 1991,  
20 shall be in an amount equal to the monthly average of these  
21 amounts, excluding the 2 months of highest receipts. Monthly  
22 average for the period of July 1, 1990 through June 30, 1991  
23 will be determined as follows: the amounts collected by the  
24 municipality under its home rule occupation and service  
25 occupation tax during the period of July 1, 1990 through  
26 September 30, 1990, plus amounts collected by the Department

1 and paid to such municipality through June 30, 1991, excluding  
2 the 2 months of highest receipts. The monthly average for each  
3 subsequent period of July 1 through June 30 shall be an amount  
4 equal to the monthly distribution made to each such  
5 municipality under the preceding paragraph during this period,  
6 excluding the 2 months of highest receipts. The distribution  
7 made in November 1991 and each year thereafter under this  
8 paragraph and the preceding paragraph shall be reduced by the  
9 amount allocated and disbursed under this paragraph in the  
10 preceding period of July 1 through June 30. The Department  
11 shall prepare and certify to the Comptroller for disbursement  
12 the allocations made in accordance with this paragraph.

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

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

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

1 day of January next following the adoption and filing.

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

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

19 This Section shall be known and may be cited as the Home  
20 Rule Municipal Service Occupation Tax Act.

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

22 (65 ILCS 5/11-74.3-6)

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

24 (a) If the corporate authorities of a municipality have  
25 approved a business district development or redevelopment plan



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

25 (b) The corporate authorities of a municipality that has  
26 established a business district under this Division 74.3 may,

1 by ordinance or resolution, impose a Business District  
2 Retailers' Occupation Tax upon all persons engaged in the  
3 business of selling tangible personal property, other than an  
4 item of tangible personal property titled or registered with an  
5 agency of this State's government, at retail in the business  
6 district at a rate not to exceed 1% of the gross receipts from  
7 the sales made in the course of such business, to be imposed  
8 only in 0.25% increments. The tax may not be imposed on food  
9 for human consumption that is to be consumed off the premises  
10 where it is sold (other than alcoholic beverages, soft drinks,  
11 and food 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, 5c,  
15 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,  
16 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 Persons subject to any tax imposed under this subsection  
20 may reimburse themselves for their seller's tax liability under  
21 this subsection by separately stating the tax as an additional  
22 charge, which charge may be stated in combination, in a single  
23 amount, with State taxes that sellers are required to collect  
24 under the Use Tax Act, in accordance with such bracket  
25 schedules as the Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this subsection 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 business district retailers' occupation  
7 tax fund.

8 The Department shall immediately 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, 2010, 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 retailers have paid taxes  
26 or penalties under this subsection to the Department during the

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

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

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

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

16 A municipality that imposes the tax under this subsection  
17 must submit to the Department of Revenue any other information  
18 as the Department may require for the administration and  
19 enforcement of the tax.

20 When certifying the amount of a monthly disbursement to a  
21 municipality under this subsection, the Department shall  
22 increase or decrease the 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  
25 previous 6 months from the time a misallocation is discovered.

26 Nothing in this subsection shall be construed to authorize

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

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

6 (c) If a tax has been imposed under subsection (b), a  
7 Business District Service Occupation Tax shall also be imposed  
8 upon all persons engaged, in the business district, in the  
9 business of making sales of service, who, as an incident to  
10 making those sales of service, transfer tangible personal  
11 property within the business district, either in the form of  
12 tangible personal property or in the form of real estate as an  
13 incident to a sale of service. The tax shall be imposed at the  
14 same rate as the tax imposed in subsection (b) and shall not  
15 exceed 1% of the selling price of tangible personal property so  
16 transferred within the business district, to be imposed only in  
17 0.25% increments. The tax may not be imposed on food for human  
18 consumption that is to be consumed off the premises where it is  
19 sold (other than alcoholic beverages, soft drinks, and food  
20 that has been prepared for immediate consumption),  
21 prescription and nonprescription medicines, drugs, medical  
22 appliances, modifications to a motor vehicle for the purpose of  
23 rendering it usable by a disabled person, and insulin, urine  
24 testing materials, syringes, and needles used by diabetics, for  
25 human use.

26 The tax imposed under this subsection and all civil



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

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

11 Persons subject to any tax imposed under the authority  
12 granted in this subsection 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 subsection to a claimant instead of issuing  
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 such notification  
24 from the Department. Such refund shall be paid by the State  
25 Treasurer out of the business district retailers' occupation  
26 tax fund.

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

5           As soon as possible after the first day of each month,  
6           beginning January 1, 2010, 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 subsection during the  
11           second preceding calendar month for sales within a STAR bond  
12           district.

13           After the monthly transfer to the STAR Bonds Revenue Fund,  
14           on ~~on~~ or before the 25th day of each calendar month, the  
15           Department shall prepare and certify to the Comptroller the  
16           disbursement of stated sums of money to named municipalities  
17           from the business district retailers' occupation tax fund, the  
18           municipalities to be those from which suppliers and servicemen  
19           have paid taxes or penalties under this subsection to the  
20           Department during the second preceding calendar month. The  
21           amount to be paid to each municipality shall be the amount (not  
22           including credit memoranda) collected under this subsection  
23           during the second preceding calendar month by the Department,  
24           less 2% of that amount, which shall be deposited into the Tax  
25           Compliance and Administration Fund and shall be used by the  
26           Department, subject to appropriation, to cover the costs of the

1 Department in administering and enforcing the provisions of  
2 this subsection, and not including an amount equal to the  
3 amount of refunds made during the second preceding calendar  
4 month by the Department on behalf of such municipality, and not  
5 including any amounts that are transferred to the STAR Bonds  
6 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
7 of the disbursement certification to the municipalities,  
8 provided for in this subsection to be given to the Comptroller  
9 by the Department, the Comptroller shall cause the orders to be  
10 drawn for the respective amounts in accordance with the  
11 directions contained in such certification. The proceeds of the  
12 tax paid to municipalities under this subsection shall be  
13 deposited into the Business District Tax Allocation Fund by the  
14 municipality.

15 An ordinance or resolution imposing or discontinuing the  
16 tax under this subsection or effecting a change in the rate  
17 thereof shall either (i) be adopted and a certified copy  
18 thereof filed with the Department on or before the first day of  
19 April, whereupon the Department, if all other requirements of  
20 this subsection are met, shall proceed to administer and  
21 enforce this subsection as of the first day of July next  
22 following the adoption and filing; or (ii) be adopted and a  
23 certified copy thereof filed with the Department on or before  
24 the first day of October, whereupon, if all other conditions of  
25 this subsection are met, the Department shall proceed to  
26 administer and enforce this subsection as of the first day of

1 January next following the adoption and filing.

2 The Department of Revenue shall not administer or enforce  
3 an ordinance imposing, discontinuing, or changing the rate of  
4 the tax under this subsection, until the municipality also  
5 provides, in the manner prescribed by the Department, the  
6 boundaries of the business district in such a way that the  
7 Department can determine by its address whether a business is  
8 located in the business district. The municipality must provide  
9 this boundary information to the Department on or before April  
10 1 for administration and enforcement of the tax under this  
11 subsection by the Department beginning on the following July 1  
12 and on or before October 1 for administration and enforcement  
13 of the tax under this subsection by the Department beginning on  
14 the following January 1. The Department of Revenue shall not  
15 administer or enforce any change made to the boundaries of a  
16 business district until the municipality reports the boundary  
17 change to the Department in the manner prescribed by the  
18 Department. The municipality must provide this boundary change  
19 information to the Department on or before April 1 for  
20 administration and enforcement by the Department of the change  
21 beginning on the following July 1 and on or before October 1  
22 for administration and enforcement by the Department of the  
23 change beginning on the following January 1. The retailers in  
24 the business district shall be responsible for charging the tax  
25 imposed under this subsection. If a retailer is incorrectly  
26 included or excluded from the list of those required to collect

1 the tax under this subsection, both the Department of Revenue  
2 and the retailer shall be held harmless if they reasonably  
3 relied on information provided by the municipality.

4 A municipality that imposes the tax under this subsection  
5 must submit to the Department of Revenue any other information  
6 as the Department may require for the administration and  
7 enforcement of the tax.

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

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

14 (d) By ordinance, a municipality that has established a  
15 business district under this Division 74.3 may impose an  
16 occupation tax upon all persons engaged in the business  
17 district in the business of renting, leasing, or letting rooms  
18 in a hotel, as defined in the Hotel Operators' Occupation Tax  
19 Act, at a rate not to exceed 1% of the gross rental receipts  
20 from the renting, leasing, or letting of hotel rooms within the  
21 business district, to be imposed only in 0.25% increments,  
22 excluding, however, from gross rental receipts the proceeds of  
23 renting, leasing, or letting to permanent residents of a hotel,  
24 as defined in the Hotel Operators' Occupation Tax Act, and  
25 proceeds from the tax imposed under subsection (c) of Section  
26 13 of the Metropolitan Pier and Exposition Authority Act.

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

18           Persons subject to any tax imposed under the authority  
19 granted in this subsection may reimburse themselves for their  
20 tax liability for that tax by separately stating that tax as an  
21 additional charge, which charge may be stated in combination,  
22 in a single amount, with State taxes imposed under the Hotel  
23 Operators' Occupation Tax Act, and with any other tax.

24           Nothing in this subsection shall be construed to authorize  
25 a municipality to impose a tax upon the privilege of engaging  
26 in any business which under the Constitution of the United

1 States may not be made the subject of taxation by this State.

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

4 (e) Obligations issued pursuant to subsection (14) of  
5 Section 11-74.3-3 shall be retired in the manner provided in  
6 the ordinance authorizing the issuance of those obligations by  
7 the receipts of taxes levied as authorized in subsections (12)  
8 and (13) of Section 11-74.3-3. The ordinance shall pledge all  
9 of the amounts in and to be deposited in the Business District  
10 Tax Allocation Fund to the payment of business district project  
11 costs and obligations. Obligations issued pursuant to  
12 subsection (14) of Section 11-74.3-3 may be sold at public or  
13 private sale at a price determined by the corporate authorities  
14 of the municipality and no referendum approval of the electors  
15 shall be required as a condition to the issuance of those  
16 obligations. The ordinance authorizing the obligations may  
17 require that the obligations contain a recital that they are  
18 issued pursuant to subsection (14) of Section 11-74.3-3 and  
19 this recital shall be conclusive evidence of their validity and  
20 of the regularity of their issuance. The corporate authorities  
21 of the municipality may also issue its obligations to refund,  
22 in whole or in part, obligations previously issued by the  
23 municipality under the authority of this Code, whether at or  
24 prior to maturity. All obligations issued pursuant to  
25 subsection (14) of Section 11-74.3-3 shall not be regarded as  
26 indebtedness of the municipality issuing the obligations for



1 the purpose of any limitation imposed by law.

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

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

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

18 (70 ILCS 210/13) (from Ch. 85, par. 1233)

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

22 (b) By ordinance the Authority shall, as soon as  
23 practicable after the effective date of this amendatory Act of  
24 1991, impose a Metropolitan Pier and Exposition Authority

1 Retailers' Occupation Tax upon all persons engaged in the  
2 business of selling tangible personal property at retail within  
3 the territory described in this subsection at the rate of 1.0%  
4 of the gross receipts (i) from the sale of food, alcoholic  
5 beverages, and soft drinks sold for consumption on the premises  
6 where sold and (ii) from the sale of food, alcoholic beverages,  
7 and soft drinks sold for consumption off the premises where  
8 sold by a retailer whose principal source of gross receipts is  
9 from the sale of food, alcoholic beverages, and soft drinks  
10 prepared for immediate consumption.

11 The tax imposed under this subsection and all civil  
12 penalties that may be assessed as an incident to that tax shall  
13 be collected and enforced by the Illinois Department of  
14 Revenue. The Department shall have full power to administer and  
15 enforce this subsection, to collect all taxes and penalties so  
16 collected in the manner provided in this subsection, and to  
17 determine all rights to credit memoranda arising on account of  
18 the erroneous payment of tax or penalty under this subsection.  
19 In the administration of and compliance with this subsection,  
20 the Department and persons who are subject to this subsection  
21 shall have the same rights, remedies, privileges, immunities,  
22 powers, and duties, shall be subject to the same conditions,  
23 restrictions, limitations, penalties, exclusions, exemptions,  
24 and definitions of terms, and shall employ the same modes of  
25 procedure applicable to this Retailers' Occupation Tax as are  
26 prescribed in Sections 1, 2 through 2-65 (in respect to all

1 provisions of those Sections other than the State rate of  
2 taxes), 2c, 2h, 2i, 3 (except as to the disposition of taxes  
3 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i,  
4 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13 and, and until  
5 January 1, 1994, 13.5 of the Retailers' Occupation Tax Act,  
6 and, on and after January 1, 1994, all applicable provisions of  
7 the Uniform Penalty and Interest Act that are not inconsistent  
8 with this Act, as fully as if provisions contained in those  
9 Sections of the Retailers' Occupation Tax Act were set forth in  
10 this subsection.

11 Persons subject to any tax imposed under the authority  
12 granted in this subsection may reimburse themselves for their  
13 seller's tax liability under this subsection by separately  
14 stating that tax as an additional charge, which charge may be  
15 stated in combination, in a single amount, with State taxes  
16 that sellers are required to collect under the Use Tax Act,  
17 pursuant to bracket schedules as the Department may prescribe.  
18 The retailer filing the return shall, at the time of filing the  
19 return, pay to the Department the amount of tax imposed under  
20 this subsection, less a discount of 1.75%, which is allowed to  
21 reimburse the retailer for the expenses incurred in keeping  
22 records, preparing and filing returns, remitting the tax, and  
23 supplying data to the Department on request.

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

1 Comptroller, who shall cause a warrant to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the Metropolitan Pier and Exposition Authority  
5 trust fund held by the State Treasurer as trustee for the  
6 Authority.

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

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

15 As soon as possible after the first day of each month,  
16 beginning January 1, 2010, 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 subsection during the  
21 second preceding calendar month for sales within a STAR bond  
22 district.

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on ~~or~~ or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 amounts to be paid under subsection (g) of this Section, which

1 shall be the amounts, not including credit memoranda, collected  
2 under this subsection during the second preceding calendar  
3 month by the Department, less any amounts determined by the  
4 Department to be necessary for the payment of refunds, ~~and~~ less  
5 2% of such balance, which sum shall be deposited by the State  
6 Treasurer into the Tax Compliance and Administration Fund in  
7 the State Treasury from which it shall be appropriated to the  
8 Department to cover the costs of the Department in  
9 administering and enforcing the provisions of this subsection, ~~and~~  
10 and less any amounts that are transferred to the STAR Bonds  
11 Revenue Fund. Within 10 days after receipt by the Comptroller  
12 of the certification, the Comptroller shall cause the orders to  
13 be drawn for the remaining amounts, and the Treasurer shall  
14 administer those amounts as required in subsection (g).

15 A certificate of registration issued by the Illinois  
16 Department of Revenue to a retailer under the Retailers'  
17 Occupation Tax Act shall permit the registrant to engage in a  
18 business that is taxed under the tax imposed under this  
19 subsection, and no additional registration shall be required  
20 under the ordinance imposing the tax or under this subsection.

21 A certified copy of any ordinance imposing or discontinuing  
22 any tax under this subsection or effecting a change in the rate  
23 of that tax shall be filed with the Department, whereupon the  
24 Department shall proceed to administer and enforce this  
25 subsection on behalf of the Authority as of the first day of  
26 the third calendar month following the date of filing.

1           The tax authorized to be levied under this subsection may  
2 be levied within all or any part of the following described  
3 portions of the metropolitan area:

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

18           (2) that portion of the City of Chicago located within  
19 the following area: Beginning at the intersection of West  
20 55th Street with Central Avenue, then east along West 55th  
21 Street to its intersection with South Cicero Avenue, then  
22 south along South Cicero Avenue to its intersection with  
23 West 63rd Street, then west along West 63rd Street to its  
24 intersection with South Central Avenue, then north along  
25 South Central Avenue to the point of beginning; and

26           (3) that portion of the City of Chicago located within

1 the following area: Beginning at the point 150 feet west of  
2 the intersection of the west line of North Ashland Avenue  
3 and the north line of West Diversey Avenue, then north 150  
4 feet, then east along a line 150 feet north of the north  
5 line of West Diversey Avenue extended to the shoreline of  
6 Lake Michigan, then following the shoreline of Lake  
7 Michigan (including Navy Pier and all other improvements  
8 fixed to land, docks, or piers) to the point where the  
9 shoreline of Lake Michigan and the Adlai E. Stevenson  
10 Expressway extended east to that shoreline intersect, then  
11 west along the Adlai E. Stevenson Expressway to a point 150  
12 feet west of the west line of South Ashland Avenue, then  
13 north along a line 150 feet west of the west line of South  
14 and North Ashland Avenue to the point of beginning.

15 The tax authorized to be levied under this subsection may  
16 also be levied on food, alcoholic beverages, and soft drinks  
17 sold on boats and other watercraft departing from and returning  
18 to the shoreline of Lake Michigan (including Navy Pier and all  
19 other improvements fixed to land, docks, or piers) described in  
20 item (3).

21 (c) By ordinance the Authority shall, as soon as  
22 practicable after the effective date of this amendatory Act of  
23 1991, impose an occupation tax upon all persons engaged in the  
24 corporate limits of the City of Chicago in the business of  
25 renting, leasing, or letting rooms in a hotel, as defined in  
26 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of

1 the gross rental receipts from the renting, leasing, or letting  
2 of hotel rooms within the City of Chicago, excluding, however,  
3 from gross rental receipts the proceeds of renting, leasing, or  
4 letting to permanent residents of a hotel, as defined in that  
5 Act. Gross rental receipts shall not include charges that are  
6 added on account of the liability arising from any tax imposed  
7 by the State or any governmental agency on the occupation of  
8 renting, leasing, or letting rooms in a hotel.

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



1 powers, and duties, shall be subject to the same conditions,  
2 restrictions, limitations, penalties, and definitions of  
3 terms, and shall employ the same modes of procedure as are  
4 prescribed in the Hotel Operators' Occupation Tax Act (except  
5 where that Act is inconsistent with this subsection), as fully  
6 as if the provisions contained in the Hotel Operators'  
7 Occupation Tax Act were set out in this subsection.

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

17 Persons subject to any tax imposed under the authority  
18 granted in this subsection may reimburse themselves for their  
19 tax liability for that tax by separately stating that tax as an  
20 additional charge, which charge may be stated in combination,  
21 in a single amount, with State taxes imposed under the Hotel  
22 Operators' Occupation Tax Act, the municipal tax imposed under  
23 Section 8-3-13 of the Illinois Municipal Code, and the tax  
24 imposed under Section 19 of the Illinois Sports Facilities  
25 Authority Act.

26 The person filing the return shall, at the time of filing

1 the return, pay to the Department the amount of tax, less a  
2 discount of 2.1% or \$25 per calendar year, whichever is  
3 greater, which is allowed to reimburse the operator for the  
4 expenses incurred in keeping records, preparing and filing  
5 returns, remitting the tax, and supplying data to the  
6 Department on request.

7 The Department shall forthwith pay over to the State  
8 Treasurer, ex officio, as trustee for the Authority, all taxes  
9 and penalties collected under this subsection for deposit into  
10 a trust fund held outside the State Treasury. On or before the  
11 25th day of each calendar month, the Department shall certify  
12 to the Comptroller the amounts to be paid under subsection (g)  
13 of this Section, which shall be the amounts (not including  
14 credit memoranda) collected under this subsection during the  
15 second preceding calendar month by the Department, less any  
16 amounts determined by the Department to be necessary for  
17 payment of refunds. Within 10 days after receipt by the  
18 Comptroller of the Department's certification, the Comptroller  
19 shall cause the orders to be drawn for such amounts, and the  
20 Treasurer shall administer those amounts as required in  
21 subsection (g).

22 A certified copy of any ordinance imposing or discontinuing  
23 a tax under this subsection or effecting a change in the rate  
24 of that tax shall be filed with the Illinois Department of  
25 Revenue, whereupon the Department shall proceed to administer  
26 and enforce this subsection on behalf of the Authority as of

1 the first day of the third calendar month following the date of  
2 filing.

3 (d) By ordinance the Authority shall, as soon as  
4 practicable after the effective date of this amendatory Act of  
5 1991, impose a tax upon all persons engaged in the business of  
6 renting automobiles in the metropolitan area at the rate of 6%  
7 of the gross receipts from that business, except that no tax  
8 shall be imposed on the business of renting automobiles for use  
9 as taxicabs or in livery service. The tax imposed under this  
10 subsection and all civil penalties that may be assessed as an  
11 incident to that tax shall be collected and enforced by the  
12 Illinois Department of Revenue. The certificate of  
13 registration issued by the Department to a retailer under the  
14 Retailers' Occupation Tax Act or under the Automobile Renting  
15 Occupation and Use Tax Act shall permit that person to engage  
16 in a business that is taxable under any ordinance enacted under  
17 this subsection without registering separately with the  
18 Department under that ordinance or under this subsection. The  
19 Department shall have full power to administer and enforce this  
20 subsection, to collect all taxes and penalties due under this  
21 subsection, to dispose of taxes and penalties so collected in  
22 the manner provided in this subsection, and to determine all  
23 rights to credit memoranda arising on account of the erroneous  
24 payment of tax or penalty under this subsection. In the  
25 administration of and compliance with this subsection, the  
26 Department and persons who are subject to this subsection shall

1 have the same rights, remedies, privileges, immunities,  
2 powers, and duties, be subject to the same conditions,  
3 restrictions, limitations, penalties, and definitions of  
4 terms, and employ the same modes of procedure as are prescribed  
5 in Sections 2 and 3 (in respect to all provisions of those  
6 Sections other than the State rate of tax; and in respect to  
7 the provisions of the Retailers' Occupation Tax Act referred to  
8 in those Sections, except as to the disposition of taxes and  
9 penalties collected, except for the provision allowing  
10 retailers a deduction from the tax to cover certain costs, and  
11 except that credit memoranda issued under this subsection may  
12 not be used to discharge any State tax liability) of the  
13 Automobile Renting Occupation and Use Tax Act, as fully as if  
14 provisions contained in those Sections of that Act were set  
15 forth in this subsection.

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

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

1 Comptroller, who shall cause a warrant to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the Metropolitan Pier and Exposition Authority  
5 trust fund held by the State Treasurer as trustee for the  
6 Authority.

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

21 Nothing in this subsection authorizes the Authority to  
22 impose a tax upon the privilege of engaging in any business  
23 that under the Constitution of the United States may not be  
24 made the subject of taxation by this State.

25 A certified copy of any ordinance imposing or discontinuing  
26 a tax under this subsection or effecting a change in the rate

1 of that tax shall be filed with the Illinois Department of  
2 Revenue, whereupon the Department shall proceed to administer  
3 and enforce this subsection on behalf of the Authority as of  
4 the first day of the third calendar month following the date of  
5 filing.

6 (e) By ordinance the Authority shall, as soon as  
7 practicable after the effective date of this amendatory Act of  
8 1991, impose a tax upon the privilege of using in the  
9 metropolitan area an automobile that is rented from a rentor  
10 outside Illinois and is titled or registered with an agency of  
11 this State's government at a rate of 6% of the rental price of  
12 that automobile, except that no tax shall be imposed on the  
13 privilege of using automobiles rented for use as taxicabs or in  
14 livery service. The tax shall be collected from persons whose  
15 Illinois address for titling or registration purposes is given  
16 as being in the metropolitan area. The tax shall be collected  
17 by the Department of Revenue for the Authority. The tax must be  
18 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 State officer with  
23 whom the tangible personal property must be titled or  
24 registered if the Department and that agency or State officer  
25 determine that this procedure will expedite the processing of  
26 applications for title or registration.

1           The Department shall have full power to administer and  
2 enforce this subsection, to collect all taxes, penalties, and  
3 interest due under this subsection, to dispose of taxes,  
4 penalties, and interest so collected in the manner provided in  
5 this subsection, and to determine all rights to credit  
6 memoranda or refunds arising on account of the erroneous  
7 payment of tax, penalty, or interest under this subsection. In  
8 the administration of and compliance with this subsection, the  
9 Department and persons who are subject to this subsection shall  
10 have the same rights, remedies, privileges, immunities,  
11 powers, and duties, be subject to the same conditions,  
12 restrictions, limitations, penalties, and definitions of  
13 terms, and employ the same modes of procedure as are prescribed  
14 in Sections 2 and 4 (except provisions pertaining to the State  
15 rate of tax; and in respect to the provisions of the Use Tax  
16 Act referred to in that Section, except provisions concerning  
17 collection or refunding of the tax by retailers, except the  
18 provisions of Section 19 pertaining to claims by retailers,  
19 except the last paragraph concerning refunds, and except that  
20 credit memoranda issued under this subsection may not be used  
21 to discharge any State tax liability) of the Automobile Renting  
22 Occupation and Use Tax Act, as fully as if provisions contained  
23 in those Sections of that Act were set forth in this  
24 subsection.

25           Whenever the Department determines that a refund should be  
26 made under this subsection to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause a warrant to be drawn for the  
3 amount specified and to the person named in the notification  
4 from the Department. The refund shall be paid by the State  
5 Treasurer out of the Metropolitan Pier and Exposition Authority  
6 trust fund held by the State Treasurer as trustee for the  
7 Authority.

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 a  
11 trust fund held outside the State Treasury. On or before the  
12 25th day of each calendar month, the Department shall certify  
13 to the State Comptroller the amounts to be paid under  
14 subsection (g) of this Section, which shall be the amounts (not  
15 including credit memoranda) collected under this subsection  
16 during the second preceding calendar month by the Department,  
17 less any amounts determined by the Department to be necessary  
18 for payment of refunds. Within 10 days after receipt by the  
19 State Comptroller of the Department's certification, the  
20 Comptroller shall cause the orders to be drawn for such  
21 amounts, and the Treasurer shall administer those amounts as  
22 required in subsection (g).

23 A certified copy of any ordinance imposing or discontinuing  
24 a tax or effecting a change in the rate of that tax shall be  
25 filed with the Illinois Department of Revenue, whereupon the  
26 Department shall proceed to administer and enforce this



1 subsection on behalf of the Authority as of the first day of  
2 the third calendar month following the date of filing.

3 (f) By ordinance the Authority shall, as soon as  
4 practicable after the effective date of this amendatory Act of  
5 1991, impose an occupation tax on all persons, other than a  
6 governmental agency, engaged in the business of providing  
7 ground transportation for hire to passengers in the  
8 metropolitan area at a rate of (i) \$2 per taxi or livery  
9 vehicle departure with passengers for hire from commercial  
10 service airports in the metropolitan area, (ii) for each  
11 departure with passengers for hire from a commercial service  
12 airport in the metropolitan area in a bus or van operated by a  
13 person other than a person described in item (iii): \$9 per bus  
14 or van with a capacity of 1-12 passengers, \$18 per bus or van  
15 with a capacity of 13-24 passengers, and \$27 per bus or van  
16 with a capacity of over 24 passengers, and (iii) for each  
17 departure with passengers for hire from a commercial service  
18 airport in the metropolitan area in a bus or van operated by a  
19 person regulated by the Interstate Commerce Commission or  
20 Illinois Commerce Commission, operating scheduled service from  
21 the airport, and charging fares on a per passenger basis: \$1  
22 per passenger for hire in each bus or van. The term "commercial  
23 service airports" means those airports receiving scheduled  
24 passenger service and enplaning more than 100,000 passengers  
25 per year.

26 In the ordinance imposing the tax, the Authority may

1 provide for the administration and enforcement of the tax and  
2 the collection of the tax from persons subject to the tax as  
3 the Authority determines to be necessary or practicable for the  
4 effective administration of the tax. The Authority may enter  
5 into agreements as it deems appropriate with any governmental  
6 agency providing for that agency to act as the Authority's  
7 agent to collect the tax.

8 In the ordinance imposing the tax, the Authority may  
9 designate a method or methods for persons subject to the tax to  
10 reimburse themselves for the tax liability arising under the  
11 ordinance (i) by separately stating the full amount of the tax  
12 liability as an additional charge to passengers departing the  
13 airports, (ii) by separately stating one-half of the tax  
14 liability as an additional charge to both passengers departing  
15 from and to passengers arriving at the airports, or (iii) by  
16 some other method determined by the Authority.

17 All taxes, penalties, and interest collected under any  
18 ordinance adopted under this subsection, less any amounts  
19 determined to be necessary for the payment of refunds, shall be  
20 paid forthwith to the State Treasurer, ex officio, for deposit  
21 into a trust fund held outside the State Treasury and shall be  
22 administered by the State Treasurer as provided in subsection  
23 (g) of this Section.

24 (g) Amounts deposited from the proceeds of taxes imposed by  
25 the Authority under subsections (b), (c), (d), (e), and (f) of  
26 this Section and amounts deposited under Section 19 of the

1 Illinois Sports Facilities Authority Act shall be held in a  
2 trust fund outside the State Treasury and shall be administered  
3 by the Treasurer as follows: first, an amount necessary for the  
4 payment of refunds shall be retained in the trust fund; second,  
5 the balance of the proceeds deposited in the trust fund during  
6 fiscal year 1993 shall be retained in the trust fund during  
7 that year and thereafter shall be administered as a reserve to  
8 fund the deposits required in item "third"; third, beginning  
9 July 20, 1993, and continuing each month thereafter, provided  
10 that the amount requested in the certificate of the Chairman of  
11 the Authority filed under Section 8.25f of the State Finance  
12 Act has been appropriated for payment to the Authority, 1/8 of  
13 the annual amount requested in that certificate together with  
14 any cumulative deficiencies shall be transferred from the trust  
15 fund into the McCormick Place Expansion Project Fund in the  
16 State Treasury until 100% of the amount requested in that  
17 certificate plus any cumulative deficiencies in the amounts  
18 transferred into the McCormick Place Expansion Project Fund  
19 under this item "third", have been so transferred; fourth, the  
20 balance shall be maintained in the trust fund; fifth, on July  
21 20, 1994, and on July 20 of each year thereafter the Treasurer  
22 shall calculate for the previous fiscal year the surplus  
23 revenues in the trust fund and pay that amount to the  
24 Authority. "Surplus revenues" shall mean the difference  
25 between the amount in the trust fund on June 30 of the fiscal  
26 year previous to the current fiscal year (excluding amounts

1 retained for refunds under item "first") minus the amount  
2 deposited in the trust fund during fiscal year 1993 under item  
3 "second". Moneys received by the Authority under item "fifth"  
4 may be used solely for the purposes of paying debt service on  
5 the bonds and notes issued by the Authority, including early  
6 redemption of those bonds or notes, and for the purposes of  
7 repair, replacement, and improvement of the grounds,  
8 buildings, and facilities of the Authority; provided that any  
9 moneys in excess of \$50,000,000 held by the Authority as of  
10 June 30 in any fiscal year and received by the Authority under  
11 item "fifth" shall be used solely for paying the debt service  
12 on or early redemption of the Authority's bonds or notes. When  
13 bonds and notes issued under Section 13.2, or bonds or notes  
14 issued to refund those bonds and notes, are no longer  
15 outstanding, the balance in the trust fund shall be paid to the  
16 Authority.

17 (h) The ordinances imposing the taxes authorized by this  
18 Section shall be repealed when bonds and notes issued under  
19 Section 13.2 or bonds and notes issued to refund those bonds  
20 and notes are no longer outstanding.

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

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

24 (70 ILCS 750/25)

1           Sec. 25. Flood prevention retailers' and service  
2 occupation taxes.

3           (a) If the Board of Commissioners of a flood prevention  
4 district determines that an emergency situation exists  
5 regarding levee repair or flood prevention, and upon an  
6 ordinance confirming the determination adopted by the  
7 affirmative vote of a majority of the members of the county  
8 board of the county in which the district is situated, the  
9 county may impose a flood prevention retailers' occupation tax  
10 upon all persons engaged in the business of selling tangible  
11 personal property at retail within the territory of the  
12 district to provide revenue to pay the costs of providing  
13 emergency levee repair and flood prevention and to secure the  
14 payment of bonds, notes, and other evidences of indebtedness  
15 issued under this Act for a period not to exceed 25 years or as  
16 required to repay the bonds, notes, and other evidences of  
17 indebtedness issued under this Act. The tax rate shall be 0.25%  
18 of the gross receipts from all taxable sales made in the course  
19 of that business. The tax imposed under this Section and all  
20 civil penalties that may be assessed as an incident thereof  
21 shall be collected and enforced by the State Department of  
22 Revenue. The Department shall have full power to administer and  
23 enforce this Section; to collect all taxes and penalties so  
24 collected in the manner hereinafter provided; and to determine  
25 all rights to credit memoranda arising on account of the  
26 erroneous payment of tax or penalty hereunder.

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

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

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

24           (b) If a tax has been imposed under subsection (a), a flood  
25 prevention service occupation tax shall also be imposed upon  
26 all persons engaged within the territory of the district in the

1 business of making sales of service, who, as an incident to  
2 making the sales of service, transfer tangible personal  
3 property, either in the form of tangible personal property or  
4 in the form of real estate as an incident to a sale of service  
5 to provide revenue to pay the costs of providing emergency  
6 levee repair and flood prevention and to secure the payment of  
7 bonds, notes, and other evidences of indebtedness issued under  
8 this Act for a period not to exceed 25 years or as required to  
9 repay the bonds, notes, and other evidences of indebtedness.  
10 The tax rate shall be 0.25% of the selling price of all  
11 tangible personal property transferred.

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

21 In the administration of and compliance with this  
22 subsection, the Department and persons who are subject to this  
23 subsection shall (i) have the same rights, remedies,  
24 privileges, immunities, powers, and duties, (ii) be subject to  
25 the same conditions, restrictions, limitations, penalties, and  
26 definitions of terms, and (iii) employ the same modes of

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

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

23 (c) The taxes imposed in subsections (a) and (b) may not be  
24 imposed on personal property titled or registered with an  
25 agency of the State; food for human consumption that is to be  
26 consumed off the premises where it is sold (other than



1 alcoholic beverages, soft drinks, and food that has been  
2 prepared for immediate consumption); prescription and  
3 non-prescription medicines, drugs, and medical appliances;  
4 modifications to a motor vehicle for the purpose of rendering  
5 it usable by a disabled person; or insulin, urine testing  
6 materials, and syringes and needles used by diabetics.

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

11 (e) The certificate of registration that is issued by the  
12 Department to a retailer under the Retailers' Occupation Tax  
13 Act or a serviceman under the Service Occupation Tax Act  
14 permits the retailer or serviceman to engage in a business that  
15 is taxable without registering separately with the Department  
16 under an ordinance or resolution under this Section.

17 (f) The Department shall immediately pay over to the State  
18 Treasurer, ex officio, as trustee, all taxes and penalties  
19 collected under this Section to be deposited into the Flood  
20 Prevention Occupation Tax Fund, which shall be an  
21 unappropriated trust fund held outside the State treasury.

22 As soon as possible after the first day of each month,  
23 beginning January 1, 2010, 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 The Department shall make this certification only if the flood  
4 prevention district imposes a tax on real property as provided  
5 in the definition of "local sales taxes" under the STAR Bonds  
6 Financing Act.

7 After the monthly transfer to the STAR Bonds Revenue Fund,  
8 on ~~or~~ or before the 25th day of each calendar month, the  
9 Department shall prepare and certify to the Comptroller the  
10 disbursement of stated sums of money to the counties from which  
11 retailers or servicemen have paid taxes or penalties to the  
12 Department during the second preceding calendar month. The  
13 amount to be paid to each county is equal to the amount (not  
14 including credit memoranda) collected from the county under  
15 this Section during the second preceding calendar month by the  
16 Department, (i) less 2% of that amount, which shall be  
17 deposited into the Tax Compliance and Administration Fund and  
18 shall be used by the Department in administering and enforcing  
19 the provisions of this Section on behalf of the county, (ii)  
20 plus an amount that the Department determines is necessary to  
21 offset any amounts that were erroneously paid to a different  
22 taxing body; (iii) less an amount equal to the amount of  
23 refunds made during the second preceding calendar month by the  
24 Department on behalf of the county; ~~and~~ (iv) less any amount  
25 that the Department determines is necessary to offset any  
26 amounts that were payable to a different taxing body but were

1 erroneously paid to the county; and (v) less any amounts that  
2 are transferred to the STAR Bonds Revenue Fund. When certifying  
3 the amount of a monthly disbursement to a county under this  
4 Section, the Department shall increase or decrease the amounts  
5 by an amount necessary to offset any miscalculation of previous  
6 disbursements within the previous 6 months from the time a  
7 miscalculation is discovered.

8       Within 10 days after receipt by the Comptroller from the  
9 Department of the disbursement certification to the counties  
10 provided for in this Section, the Comptroller shall cause the  
11 orders to be drawn for the respective amounts in accordance  
12 with directions contained in the certification.

13       If the Department determines that a refund should be made  
14 under this Section to a claimant instead of issuing a credit  
15 memorandum, then the Department shall notify the Comptroller,  
16 who shall cause the order to be drawn for the amount specified  
17 and to the person named in the notification from the  
18 Department. The refund shall be paid by the Treasurer out of  
19 the Flood Prevention Occupation Tax Fund.

20       (g) If a county imposes a tax under this Section, then the  
21 county board shall, by ordinance, discontinue the tax upon the  
22 payment of all indebtedness of the flood prevention district.  
23 The tax shall not be discontinued until all indebtedness of the  
24 District has been paid.

25       (h) Any ordinance imposing the tax under this Section, or  
26 any ordinance that discontinues the tax, must be certified by

1 the county clerk and filed with the Illinois Department of  
2 Revenue either (i) on or before the first day of April,  
3 whereupon the Department shall proceed to administer and  
4 enforce the tax or change in the rate as of the first day of  
5 July next following the filing; or (ii) on or before the first  
6 day of October, whereupon the Department shall proceed to  
7 administer and enforce the tax or change in the rate as of the  
8 first day of January next following the filing.

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

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

20 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08.)

21 Section 85. The Metro-East Park and Recreation District Act  
22 is amended by changing Section 30 as follows:

23 (70 ILCS 1605/30)

24 Sec. 30. Taxes.

1           (a) The board shall impose a tax upon all persons engaged  
2 in the business of selling tangible personal property, other  
3 than personal property titled or registered with an agency of  
4 this State's government, at retail in the District on the gross  
5 receipts from the sales made in the course of business. This  
6 tax shall be imposed only at the rate of one-tenth of one per  
7 cent.

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

1 the erroneous payment of a tax or penalty under this Section.  
2 In the administration of and compliance with this Section, the  
3 Department and persons who are subject to this Section shall  
4 (i) have the same rights, remedies, privileges, immunities,  
5 powers, and duties, (ii) be subject to the same conditions,  
6 restrictions, limitations, penalties, and definitions of  
7 terms, and (iii) employ the same modes of procedure as are  
8 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
9 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained  
10 in those Sections other than the State rate of tax), 2-15  
11 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to  
12 transaction returns and quarter monthly payments), 4, 5, 5a,  
13 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
14 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
15 and the Uniform Penalty and Interest Act as if those provisions  
16 were set forth in this Section.

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

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

1 Comptroller, who shall cause the order to be drawn for the  
2 amount specified and to the person named in the notification  
3 from the Department. The refund shall be paid by the State  
4 Treasurer out of the State Metro-East Park and Recreation  
5 District Fund.

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

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

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



1 accordance with such bracket schedules as the Department may  
2 prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this subsection 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 State Metro-East Park and Recreation  
10 District Fund.

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

15 (c) The Department shall immediately pay over to the State  
16 Treasurer, ex officio, as trustee, all taxes and penalties  
17 collected under this Section to be deposited into the State  
18 Metro-East Park and Recreation District Fund, which shall be an  
19 unappropriated trust fund held outside of the State treasury.

20 As soon as possible after the first day of each month,  
21 beginning January 1, 2010, 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 The Department shall make this certification only if the Metro  
2 East Park and Recreation District imposes a tax on real  
3 property as provided in the definition of "local sales taxes"  
4 under the STAR Bonds Financing Act.

5 After the monthly transfer to the STAR Bonds Revenue Fund,  
6 on ~~On~~ or before the 25th day of each calendar month, the  
7 Department shall prepare and certify to the Comptroller the  
8 disbursement of stated sums of money pursuant to Section 35 of  
9 this Act to the District from which retailers have paid taxes  
10 or penalties to the Department during the second preceding  
11 calendar month. The amount to be paid to the District shall be  
12 the amount (not including credit memoranda) collected under  
13 this Section during the second preceding calendar month by the  
14 Department plus an amount the Department determines is  
15 necessary to offset any amounts that were erroneously paid to a  
16 different taxing body, and not including (i) an amount equal to  
17 the amount of refunds made during the second preceding calendar  
18 month by the Department on behalf of the District, ~~and~~ (ii) any  
19 amount that the Department determines is necessary to offset  
20 any amounts that were payable to a different taxing body but  
21 were erroneously paid to the District, and (iii) any amounts  
22 that are transferred to the STAR Bonds Revenue Fund. Within 10  
23 days after receipt by the Comptroller of the disbursement  
24 certification to the District provided for in this Section to  
25 be given to the Comptroller by the Department, the Comptroller  
26 shall cause the orders to be drawn for the respective amounts

1 in accordance with directions contained in the certification.

2 (d) For the purpose of determining whether a tax authorized  
3 under this Section is applicable, a retail sale by a producer  
4 of coal or another mineral mined in Illinois is a sale at  
5 retail at the place where the coal or other mineral mined in  
6 Illinois is extracted from the earth. This paragraph does not  
7 apply to coal or another mineral when it is delivered or  
8 shipped by the seller to the purchaser at a point outside  
9 Illinois so that the sale is exempt under the United States  
10 Constitution as a sale in interstate or foreign commerce.

11 (e) Nothing in this Section shall be construed to authorize  
12 the board to impose a tax upon the privilege of engaging in any  
13 business that under the Constitution of the United States may  
14 not be made the subject of taxation by this State.

15 (f) An ordinance imposing a tax under this Section or an  
16 ordinance extending the imposition of a tax to an additional  
17 county or counties shall be certified by the board and filed  
18 with the Department of Revenue either (i) on or before the  
19 first day of April, whereupon the Department shall proceed to  
20 administer and enforce the tax as of the first day of July next  
21 following the filing; or (ii) on or before the first day of  
22 October, whereupon the Department shall proceed to administer  
23 and enforce the tax as of the first day of January next  
24 following the filing.

25 (g) When certifying the amount of a monthly disbursement to  
26 the District under this Section, the Department shall increase

1 or decrease the amounts by an amount necessary to offset any  
2 misallocation of previous disbursements. The offset amount  
3 shall be the amount erroneously disbursed within the previous 6  
4 months from the time a misallocation is discovered.

5 (Source: P.A. 91-103, eff. 7-13-99.)

6 Section 90. The Local Mass Transit District Act is amended  
7 by changing Section 5.01 as follows:

8 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

9 Sec. 5.01. Metro East Mass Transit District; use and  
10 occupation taxes.

11 (a) The Board of Trustees of any Metro East Mass Transit  
12 District may, by ordinance adopted with the concurrence of  
13 two-thirds of the then trustees, impose throughout the District  
14 any or all of the taxes and fees provided in this Section. All  
15 taxes and fees imposed under this Section shall be used only  
16 for public mass transportation systems, and the amount used to  
17 provide mass transit service to unserved areas of the District  
18 shall be in the same proportion to the total proceeds as the  
19 number of persons residing in the unserved areas is to the  
20 total population of the District. Except as otherwise provided  
21 in this Act, taxes imposed under this Section and civil  
22 penalties imposed incident thereto shall be collected and  
23 enforced by the State Department of Revenue. The Department  
24 shall have the power to administer and enforce the taxes and to

1 determine all rights for refunds for erroneous payments of the  
2 taxes.

3 (b) The Board may impose a Metro East Mass Transit District  
4 Retailers' Occupation Tax upon all persons engaged in the  
5 business of selling tangible personal property at retail in the  
6 district at a rate of 1/4 of 1%, or as authorized under  
7 subsection (d-5) of this Section, of the gross receipts from  
8 the sales made in the course of such business within the  
9 district. The tax imposed under this Section and all civil  
10 penalties that may be assessed as an incident thereof shall be  
11 collected and enforced by the State Department of Revenue. The  
12 Department shall have full power to administer and enforce this  
13 Section; to collect all taxes and penalties so collected in the  
14 manner hereinafter provided; and to determine all rights to  
15 credit memoranda arising on account of the erroneous payment of  
16 tax or penalty hereunder. In the administration of, and  
17 compliance with, this Section, the Department and persons who  
18 are subject to this Section shall have the same rights,  
19 remedies, privileges, immunities, powers and duties, and be  
20 subject to the same conditions, restrictions, limitations,  
21 penalties, exclusions, exemptions and definitions of terms and  
22 employ the same modes of procedure, as are prescribed in  
23 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
24 (in respect to all provisions therein other than the State rate  
25 of tax), 2c, 3 (except as to the disposition of taxes and  
26 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,

1 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the  
2 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
3 Penalty and Interest Act, as fully as if those provisions were  
4 set forth herein.

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

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the warrant to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the Metro East Mass Transit District tax fund  
19 established under paragraph (h) ~~(g)~~ of this Section.

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

22 For the purpose of determining whether a tax authorized  
23 under this Section is applicable, a retail sale, by a producer  
24 of coal or other mineral mined in Illinois, is a sale at retail  
25 at the place where the coal or other mineral mined in Illinois  
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the  
2 seller to the purchaser at a point outside Illinois so that the  
3 sale is exempt under the Federal Constitution as a sale in  
4 interstate or foreign commerce.

5 No tax shall be imposed or collected under this subsection  
6 on the sale of a motor vehicle in this State to a resident of  
7 another state if that motor vehicle will not be titled in this  
8 State.

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

14 (c) If a tax has been imposed under subsection (b), a Metro  
15 East Mass Transit District Service Occupation Tax shall also be  
16 imposed upon all persons engaged, in the district, in the  
17 business of making sales of service, who, as an incident to  
18 making those sales of service, transfer tangible personal  
19 property within the District, either in the form of tangible  
20 personal property or in the form of real estate as an incident  
21 to a sale of service. The tax rate shall be 1/4%, or as  
22 authorized under subsection (d-5) of this Section, of the  
23 selling price of tangible personal property so transferred  
24 within the district. The tax imposed under this paragraph and  
25 all civil penalties that may be assessed as an incident thereof  
26 shall be collected and enforced by the State Department of

1 Revenue. The Department shall have full power to administer and  
2 enforce this paragraph; 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 of  
6 tax or penalty hereunder. In the administration of, and  
7 compliance with this paragraph, the Department and persons who  
8 are subject to this paragraph shall have the same rights,  
9 remedies, privileges, immunities, powers and duties, and be  
10 subject to the same conditions, restrictions, limitations,  
11 penalties, exclusions, exemptions and definitions of terms and  
12 employ the same modes of procedure as are prescribed in  
13 Sections 1a-1, 2 (except that the reference to State in the  
14 definition of supplier maintaining a place of business in this  
15 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
16 to all provisions therein other than the State rate of tax), 4  
17 (except that the reference to the State shall be to the  
18 Authority), 5, 7, 8 (except that the jurisdiction to which the  
19 tax shall be a debt to the extent indicated in that Section 8  
20 shall be the District), 9 (except as to the disposition of  
21 taxes and penalties collected, and except that the returned  
22 merchandise credit for this tax may not be taken against any  
23 State tax), 10, 11, 12 (except the reference therein to Section  
24 2b of the Retailers' Occupation Tax Act), 13 (except that any  
25 reference to the State shall mean the District), the first  
26 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service



1 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
2 Interest Act, as fully as if those provisions were set forth  
3 herein.

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

12 Whenever the Department determines that a refund should be  
13 made under this paragraph to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the warrant to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the Metro East Mass Transit District tax fund  
19 established under paragraph (h) ~~(g)~~ of this Section.

20 Nothing in this paragraph shall be construed to authorize  
21 the District 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 the State.

24 (d) If a tax has been imposed under subsection (b), a Metro  
25 East Mass Transit District Use Tax shall also be imposed upon  
26 the privilege of using, in the district, any item of tangible

1 personal property that is purchased outside the district at  
2 retail from a retailer, and that is titled or registered with  
3 an agency of this State's government, at a rate of 1/4%, or as  
4 authorized under subsection (d-5) of this Section, of the  
5 selling price of the tangible personal property within the  
6 District, as "selling price" is defined in the Use Tax Act. The  
7 tax shall be collected from persons whose Illinois address for  
8 titling or registration purposes is given as being in the  
9 District. The tax shall be collected by the Department of  
10 Revenue for the Metro East Mass Transit District. The tax must  
11 be paid to the State, or an exemption determination must be  
12 obtained from the Department of Revenue, before the title or  
13 certificate of registration for the property may be issued. The  
14 tax or proof of exemption may be transmitted to the Department  
15 by way of the State agency with which, or the State officer  
16 with whom, the tangible personal property must be titled or  
17 registered if the Department and the State agency or State  
18 officer determine that this procedure will expedite the  
19 processing of applications for title or registration.

20 The Department shall have full power to administer and  
21 enforce this paragraph; to collect all taxes, penalties and  
22 interest due hereunder; to dispose of taxes, penalties and  
23 interest so collected in the manner hereinafter provided; and  
24 to determine all rights to credit memoranda or refunds arising  
25 on account of the erroneous payment of tax, penalty or interest  
26 hereunder. In the administration of, and compliance with, this

1 paragraph, the Department and persons who are subject to this  
2 paragraph shall have the same rights, remedies, privileges,  
3 immunities, powers and duties, and be subject to the same  
4 conditions, restrictions, limitations, penalties, exclusions,  
5 exemptions and definitions of terms and employ the same modes  
6 of procedure, as are prescribed in Sections 2 (except the  
7 definition of "retailer maintaining a place of business in this  
8 State"), 3 through 3-80 (except provisions pertaining to the  
9 State rate of tax, and except provisions concerning collection  
10 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
11 19 (except the portions pertaining to claims by retailers and  
12 except the last paragraph concerning refunds), 20, 21 and 22 of  
13 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
14 Interest Act, that are not inconsistent with this paragraph, as  
15 fully as if those provisions were set forth herein.

16 Whenever the Department determines that a refund should be  
17 made under this paragraph 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 Metro East Mass Transit District tax fund  
23 established under paragraph (h) ~~(g)~~ of this Section.

24 (d-5) (A) The county board of any county participating in  
25 the Metro East Mass Transit District may authorize, by  
26 ordinance, a referendum on the question of whether the tax

1 rates for the Metro East Mass Transit District Retailers'  
2 Occupation Tax, the Metro East Mass Transit District Service  
3 Occupation Tax, and the Metro East Mass Transit District Use  
4 Tax for the District should be increased from 0.25% to 0.75%.  
5 Upon adopting the ordinance, the county board shall certify the  
6 proposition to the proper election officials who shall submit  
7 the proposition to the voters of the District at the next  
8 election, in accordance with the general election law.

9 The proposition shall be in substantially the following  
10 form:

11 Shall the tax rates for the Metro East Mass Transit  
12 District Retailers' Occupation Tax, the Metro East Mass  
13 Transit District Service Occupation Tax, and the Metro East  
14 Mass Transit District Use Tax be increased from 0.25% to  
15 0.75%?

16 (B) Two thousand five hundred electors of any Metro East  
17 Mass Transit District may petition the Chief Judge of the  
18 Circuit Court, or any judge of that Circuit designated by the  
19 Chief Judge, in which that District is located to cause to be  
20 submitted to a vote of the electors the question whether the  
21 tax rates for the Metro East Mass Transit District Retailers'  
22 Occupation Tax, the Metro East Mass Transit District Service  
23 Occupation Tax, and the Metro East Mass Transit District Use  
24 Tax for the District should be increased from 0.25% to 0.75%.

25 Upon submission of such petition the court shall set a date  
26 not less than 10 nor more than 30 days thereafter for a hearing

1 on the sufficiency thereof. Notice of the filing of such  
2 petition and of such date shall be given in writing to the  
3 District and the County Clerk at least 7 days before the date  
4 of such hearing.

5 If such petition is found sufficient, the court shall enter  
6 an order to submit that proposition at the next election, in  
7 accordance with general election law.

8 The form of the petition shall be in substantially the  
9 following form: To the Circuit Court of the County of (name of  
10 county):

11 We, the undersigned electors of the (name of transit  
12 district), respectfully petition your honor to submit to a  
13 vote of the electors of (name of transit district) the  
14 following proposition:

15 Shall the tax rates for the Metro East Mass Transit  
16 District Retailers' Occupation Tax, the Metro East Mass  
17 Transit District Service Occupation Tax, and the Metro East  
18 Mass Transit District Use Tax be increased from 0.25% to  
19 0.75%?

20	Name	Address, with Street and Number.
21	.....	.....
22	.....	.....

23 (C) The votes shall be recorded as "YES" or "NO". If a  
24 majority of all votes cast on the proposition are for the  
25 increase in the tax rates, the Metro East Mass Transit District  
26 shall begin imposing the increased rates in the District, and

1 the Department of Revenue shall begin collecting the increased  
2 amounts, as provided under this Section. An ordinance imposing  
3 or discontinuing a tax hereunder or effecting a change in the  
4 rate thereof 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 the adoption and filing, or on or before the first  
9 day of April, whereupon the Department shall proceed to  
10 administer and enforce this Section as of the first day of July  
11 next following the adoption and filing.

12 (D) If the voters have approved a referendum under this  
13 subsection, before November 1, 1994, to increase the tax rate  
14 under this subsection, the Metro East Mass Transit District  
15 Board of Trustees may adopt by a majority vote an ordinance at  
16 any time before January 1, 1995 that excludes from the rate  
17 increase tangible personal property that is titled or  
18 registered with an agency of this State's government. The  
19 ordinance excluding titled or registered tangible personal  
20 property from the rate increase must be filed with the  
21 Department at least 15 days before its effective date. At any  
22 time after adopting an ordinance excluding from the rate  
23 increase tangible personal property that is titled or  
24 registered with an agency of this State's government, the Metro  
25 East Mass Transit District Board of Trustees may adopt an  
26 ordinance applying the rate increase to that tangible personal

1 property. The ordinance shall be adopted, and a certified copy  
2 of that ordinance shall be filed with the Department, on or  
3 before October 1, whereupon the Department shall proceed to  
4 administer and enforce the rate increase against tangible  
5 personal property titled or registered with an agency of this  
6 State's government as of the following January 1. After  
7 December 31, 1995, any reimposed rate increase in effect under  
8 this subsection shall no longer apply to tangible personal  
9 property titled or registered with an agency of this State's  
10 government. Beginning January 1, 1996, the Board of Trustees of  
11 any Metro East Mass Transit District may never reimpose a  
12 previously excluded tax rate increase on tangible personal  
13 property titled or registered with an agency of this State's  
14 government. After July 1, 2004, if the voters have approved a  
15 referendum under this subsection to increase the tax rate under  
16 this subsection, the Metro East Mass Transit District Board of  
17 Trustees may adopt by a majority vote an ordinance that  
18 excludes from the rate increase tangible personal property that  
19 is titled or registered with an agency of this State's  
20 government. The ordinance excluding titled or registered  
21 tangible personal property from the rate increase shall be  
22 adopted, and a certified copy of that ordinance shall be filed  
23 with the Department on or before October 1, whereupon the  
24 Department shall administer and enforce this exclusion from the  
25 rate increase as of the following January 1, or on or before  
26 April 1, whereupon the Department shall administer and enforce

1 this exclusion from the rate increase as of the following July  
2 1. The Board of Trustees of any Metro East Mass Transit  
3 District may never reimpose a previously excluded tax rate  
4 increase on tangible personal property titled or registered  
5 with an agency of this State's government.

6 (d-6) If the Board of Trustees of any Metro East Mass  
7 Transit District has imposed a rate increase under subsection  
8 (d-5) and filed an ordinance with the Department of Revenue  
9 excluding titled property from the higher rate, then that Board  
10 may, by ordinance adopted with the concurrence of two-thirds of  
11 the then trustees, impose throughout the District a fee. The  
12 fee on the excluded property shall not exceed \$20 per retail  
13 transaction or an amount equal to the amount of tax excluded,  
14 whichever is less, on tangible personal property that is titled  
15 or registered with an agency of this State's government.  
16 Beginning July 1, 2004, the fee shall apply only to titled  
17 property that is subject to either the Metro East Mass Transit  
18 District Retailers' Occupation Tax or the Metro East Mass  
19 Transit District Service Occupation Tax. No fee shall be  
20 imposed or collected under this subsection on the sale of a  
21 motor vehicle in this State to a resident of another state if  
22 that motor vehicle will not be titled in this State.

23 (d-7) Until June 30, 2004, if a fee has been imposed under  
24 subsection (d-6), a fee shall also be imposed upon the  
25 privilege of using, in the district, any item of tangible  
26 personal property that is titled or registered with any agency



1 of this State's government, in an amount equal to the amount of  
2 the fee imposed under subsection (d-6).

3 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
4 Board of Trustees of any Metro East Mass Transit District under  
5 subsection (d-6) and all civil penalties that may be assessed  
6 as an incident of the fees shall be collected and enforced by  
7 the State Department of Revenue. Reference to "taxes" in this  
8 Section shall be construed to apply to the administration,  
9 payment, and remittance of all fees under this Section. For  
10 purposes of any fee imposed under subsection (d-6), 4% of the  
11 fee, penalty, and interest received by the Department in the  
12 first 12 months that the fee is collected and enforced by the  
13 Department and 2% of the fee, penalty, and interest following  
14 the first 12 months shall be deposited into the Tax Compliance  
15 and Administration Fund and shall be used by the Department,  
16 subject to appropriation, to cover the costs of the Department.  
17 No retailers' discount shall apply to any fee imposed under  
18 subsection (d-6).

19 (d-8) No item of titled property shall be subject to both  
20 the higher rate approved by referendum, as authorized under  
21 subsection (d-5), and any fee imposed under subsection (d-6) or  
22 (d-7).

23 (d-9) (Blank).

24 (d-10) (Blank).

25 (e) A certificate of registration issued by the State  
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act  
2 shall permit the registrant to engage in a business that is  
3 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
4 this Section and no additional registration shall be required  
5 under the tax. A certificate issued under the Use Tax Act or  
6 the Service Use Tax Act shall be applicable with regard to any  
7 tax imposed under paragraph (c) of this Section.

8 (f) (Blank).

9 (g) 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 Metro East Mass Transit District  
14 as of September 1 next following such adoption and filing.  
15 Beginning January 1, 1992, an ordinance or resolution imposing  
16 or 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, except as provided in subsection (d-5) of this  
22 Section, an ordinance or resolution imposing or discontinuing  
23 the tax hereunder shall be adopted and a certified copy thereof  
24 filed with the Department on or before the first day of  
25 October, whereupon the Department shall proceed to administer  
26 and enforce this Section as of the first day of January next

1 following such adoption and filing, or, beginning January 1,  
2 2004, on or before the first day of April, whereupon the  
3 Department shall proceed to administer and enforce this Section  
4 as of the first day of July next following the adoption and  
5 filing.

6 (h) Except as provided in subsection (d-7.1), the State  
7 Department of Revenue shall, upon collecting any taxes as  
8 provided in this Section, pay the taxes over to the State  
9 Treasurer as trustee for the District. The taxes shall be held  
10 in a trust fund outside the State Treasury.

11 As soon as possible after the first day of each month,  
12 beginning January 1, 2010, 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 The Department shall make this certification only if the local  
19 mass transit district imposes a tax on real property as  
20 provided in the definition of "local sales taxes" under the  
21 STAR Bonds Financing Act.

22 After the monthly transfer to the STAR Bonds Revenue Fund,  
23 on ~~on~~ or before the 25th day of each calendar month, the State  
24 Department of Revenue shall prepare and certify to the  
25 Comptroller of the State of Illinois the amount to be paid to  
26 the District, which shall be the then balance in the fund, less

1 any amount determined by the Department to be necessary for the  
2 payment of refunds, and less any amounts that are transferred  
3 to the STAR Bonds Revenue Fund. Within 10 days after receipt by  
4 the Comptroller of the certification of the amount to be paid  
5 to the District, the Comptroller shall cause an order to be  
6 drawn for payment for the amount in accordance with the  
7 direction in the certification.

8 (Source: P.A. 94-776, eff. 5-19-06; 95-331, eff. 8-21-07;  
9 revised 10-23-08.)

10 Section 100. The Regional Transportation Authority Act is  
11 amended by changing Section 4.03 as follows:

12 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

13 Sec. 4.03. Taxes.

14 (a) In order to carry out any of the powers or purposes of  
15 the Authority, the Board may by ordinance adopted with the  
16 concurrence of 12 of the then Directors, impose throughout the  
17 metropolitan region any or all of the taxes provided in this  
18 Section. Except as otherwise provided in this Act, taxes  
19 imposed under this Section and civil penalties imposed incident  
20 thereto shall be collected and enforced by the State Department  
21 of Revenue. The Department shall have the power to administer  
22 and enforce the taxes and to determine all rights for refunds  
23 for erroneous payments of the taxes. Nothing in this amendatory  
24 Act of the 95th General Assembly is intended to invalidate any

1 taxes currently imposed by the Authority. The increased vote  
2 requirements to impose a tax shall only apply to actions taken  
3 after the effective date of this amendatory Act of the 95th  
4 General Assembly.

5 (b) The Board may impose a public transportation tax upon  
6 all persons engaged in the metropolitan region in the business  
7 of selling at retail motor fuel for operation of motor vehicles  
8 upon public highways. The tax shall be at a rate not to exceed  
9 5% of the gross receipts from the sales of motor fuel in the  
10 course of the business. As used in this Act, the term "motor  
11 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
12 The Board may provide for details of the tax. The provisions of  
13 any tax shall conform, as closely as may be practicable, to the  
14 provisions of the Municipal Retailers Occupation Tax Act,  
15 including without limitation, conformity to penalties with  
16 respect to the tax imposed and as to the powers of the State  
17 Department of Revenue to promulgate and enforce rules and  
18 regulations relating to the administration and enforcement of  
19 the provisions of the tax imposed, except that reference in the  
20 Act to any municipality shall refer to the Authority and the  
21 tax shall be imposed only with regard to receipts from sales of  
22 motor fuel in the metropolitan region, at rates as limited by  
23 this Section.

24 (c) In connection with the tax imposed under paragraph (b)  
25 of this Section the Board may impose a tax upon the privilege  
26 of using in the metropolitan region motor fuel for the

1 operation of a motor vehicle upon public highways, the tax to  
2 be at a rate not in excess of the rate of tax imposed under  
3 paragraph (b) of this Section. The Board may provide for  
4 details of the tax.

5 (d) The Board may impose a motor vehicle parking tax upon  
6 the privilege of parking motor vehicles at off-street parking  
7 facilities in the metropolitan region at which a fee is  
8 charged, and may provide for reasonable classifications in and  
9 exemptions to the tax, for administration and enforcement  
10 thereof and for civil penalties and refunds thereunder and may  
11 provide criminal penalties thereunder, the maximum penalties  
12 not to exceed the maximum criminal penalties provided in the  
13 Retailers' Occupation Tax Act. The Authority may collect and  
14 enforce the tax itself or by contract with any unit of local  
15 government. The State Department of Revenue shall have no  
16 responsibility for the collection and enforcement unless the  
17 Department agrees with the Authority to undertake the  
18 collection and enforcement. As used in this paragraph, the term  
19 "parking facility" means a parking area or structure having  
20 parking spaces for more than 2 vehicles at which motor vehicles  
21 are permitted to park in return for an hourly, daily, or other  
22 periodic fee, whether publicly or privately owned, but does not  
23 include parking spaces on a public street, the use of which is  
24 regulated by parking meters.

25 (e) The Board may impose a Regional Transportation  
26 Authority Retailers' Occupation Tax upon all persons engaged in

1 the business of selling tangible personal property at retail in  
2 the metropolitan region. In Cook County the tax rate shall be  
3 1.25% of the gross receipts from sales of food for human  
4 consumption that is to be consumed off the premises where it is  
5 sold (other than alcoholic beverages, soft drinks and food that  
6 has been prepared for immediate consumption) and prescription  
7 and nonprescription medicines, drugs, medical appliances and  
8 insulin, urine testing materials, syringes and needles used by  
9 diabetics, and 1% of the gross receipts from other taxable  
10 sales made in the course of that business. In DuPage, Kane,  
11 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
12 of the gross receipts from all taxable sales made in the course  
13 of that business. The tax imposed under this Section and all  
14 civil penalties that may be assessed as an incident thereof  
15 shall be collected and enforced by the State Department of  
16 Revenue. The Department shall have full power to administer and  
17 enforce this Section; to collect all taxes and penalties so  
18 collected in the manner hereinafter provided; and to determine  
19 all rights to credit memoranda arising on account of the  
20 erroneous payment of tax or penalty hereunder. In the  
21 administration of, and compliance with this Section, the  
22 Department and persons who are subject to this Section shall  
23 have the same rights, remedies, privileges, immunities, powers  
24 and duties, and be subject to the same conditions,  
25 restrictions, limitations, penalties, exclusions, exemptions  
26 and definitions of terms, and employ the same modes of

1 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
2 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
3 therein other than the State rate of tax), 2c, 3 (except as to  
4 the disposition of taxes and penalties collected), 4, 5, 5a,  
5 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
6 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
7 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
8 as if those provisions were set forth herein.

9 Persons subject to any tax imposed under the authority  
10 granted in this Section may reimburse themselves for their  
11 seller's tax liability hereunder by separately stating the tax  
12 as an additional charge, which charge may be stated in  
13 combination in a single amount with State taxes that sellers  
14 are required to collect under the Use Tax Act, under any  
15 bracket schedules 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 warrant 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 Regional Transportation Authority tax fund  
23 established under paragraph (n) of this Section.

24 If a tax is imposed under this subsection (e), a tax shall  
25 also be imposed under subsections (f) and (g) of this Section.

26 For the purpose of determining whether a tax authorized



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

9 No tax shall be imposed or collected under this subsection  
10 on the sale of a motor vehicle in this State to a resident of  
11 another state if that motor vehicle will not be titled in this  
12 State.

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

18 (f) If a tax has been imposed under paragraph (e), a  
19 Regional Transportation Authority Service Occupation Tax shall  
20 also be imposed upon all persons engaged, in the metropolitan  
21 region in the business of making sales of service, who as an  
22 incident to making the sales of service, transfer tangible  
23 personal property within the metropolitan region, either in the  
24 form of tangible personal property or in the form of real  
25 estate as an incident to a sale of service. In Cook County, the  
26 tax rate shall be: (1) 1.25% of the serviceman's cost price of

1 food prepared for immediate consumption and transferred  
2 incident to a sale of service subject to the service occupation  
3 tax by an entity licensed under the Hospital Licensing Act or  
4 the Nursing Home Care Act that is located in the metropolitan  
5 region; (2) 1.25% of the selling price of food for human  
6 consumption that is to be consumed off the premises where it is  
7 sold (other than alcoholic beverages, soft drinks and food that  
8 has been prepared for immediate consumption) and prescription  
9 and nonprescription medicines, drugs, medical appliances and  
10 insulin, urine testing materials, syringes and needles used by  
11 diabetics; and (3) 1% of the selling price from other taxable  
12 sales of tangible personal property transferred. In DuPage,  
13 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%  
14 of the selling price of all tangible personal property  
15 transferred.

16 The tax imposed under this paragraph 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 paragraph; to collect all taxes and penalties due hereunder; to  
21 dispose of taxes and penalties collected in the manner  
22 hereinafter provided; and to determine all rights to credit  
23 memoranda arising on account of the erroneous payment of tax or  
24 penalty hereunder. In the administration of and compliance with  
25 this paragraph, the Department and persons who are subject to  
26 this paragraph shall have the same rights, remedies,

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

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

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the warrant 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 Regional Transportation Authority tax fund  
7 established under paragraph (n) of this Section.

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

12 (g) If a tax has been imposed under paragraph (e), a tax  
13 shall also be imposed upon the privilege of using in the  
14 metropolitan region, any item of tangible personal property  
15 that is purchased outside the metropolitan region at retail  
16 from a retailer, and that is titled or registered with an  
17 agency of this State's government. In Cook County the tax rate  
18 shall be 1% of the selling price of the tangible personal  
19 property, as "selling price" is defined in the Use Tax Act. In  
20 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
21 shall be 0.75% of the selling price of the tangible personal  
22 property, as "selling price" is defined in the Use Tax Act. The  
23 tax shall be collected from persons whose Illinois address for  
24 titling or registration purposes is given as being in the  
25 metropolitan region. The tax shall be collected by the  
26 Department of Revenue for the Regional Transportation

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

11 The Department shall have full power to administer and  
12 enforce this paragraph; to collect all taxes, penalties and  
13 interest due hereunder; to dispose of taxes, penalties and  
14 interest collected in the manner hereinafter provided; and to  
15 determine all rights to credit memoranda or refunds arising on  
16 account of the erroneous payment of tax, penalty or interest  
17 hereunder. In the administration of and compliance with this  
18 paragraph, the Department and persons who are subject to this  
19 paragraph shall have the same rights, remedies, privileges,  
20 immunities, powers and duties, and be subject to the same  
21 conditions, restrictions, limitations, penalties, exclusions,  
22 exemptions and definitions of terms and employ the same modes  
23 of procedure, as are prescribed in Sections 2 (except the  
24 definition of "retailer maintaining a place of business in this  
25 State"), 3 through 3-80 (except provisions pertaining to the  
26 State rate of tax, and except provisions concerning collection

1 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
2 19 (except the portions pertaining to claims by retailers and  
3 except the last paragraph concerning refunds), 20, 21 and 22 of  
4 the Use Tax Act, and are not inconsistent with this paragraph,  
5 as fully as if those provisions were set forth herein.

6 Whenever the Department determines that a refund should be  
7 made under this paragraph to a claimant instead of issuing a  
8 credit memorandum, the Department shall notify the State  
9 Comptroller, who shall cause the order 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 Regional Transportation Authority tax fund  
13 established under paragraph (n) of this Section.

14 (h) The Authority may impose a replacement vehicle tax of  
15 \$50 on any passenger car as defined in Section 1-157 of the  
16 Illinois Vehicle Code purchased within the metropolitan region  
17 by or on behalf of an insurance company to replace a passenger  
18 car of an insured person in settlement of a total loss claim.  
19 The tax imposed may not become effective before the first day  
20 of the month following the passage of the ordinance imposing  
21 the tax and receipt of a certified copy of the ordinance by the  
22 Department of Revenue. The Department of Revenue shall collect  
23 the tax for the Authority in accordance with Sections 3-2002  
24 and 3-2003 of the Illinois Vehicle Code.

25 The Department shall immediately pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes collected

1 hereunder.

2 As soon as possible after the first day of each month,  
3 beginning January 1, 2010, upon certification of the Department  
4 of Revenue, the Comptroller shall order transferred, and the  
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
6 local sales tax increment, as defined in the STAR Bonds  
7 Financing Act, collected under this Section during the second  
8 preceding calendar month for sales within a STAR bond district.

9 After the monthly transfer to the STAR Bonds Revenue Fund,  
10 on ~~or~~ or before the 25th day of each calendar month, the  
11 Department shall prepare and certify to the Comptroller the  
12 disbursement of stated sums of money to the Authority. The  
13 amount to be paid to the Authority shall be the amount  
14 collected hereunder during the second preceding calendar month  
15 by the Department, less any amount determined by the Department  
16 to be necessary for the payment of refunds, and less any  
17 amounts that are transferred to the STAR Bonds Revenue Fund.

18 Within 10 days after receipt by the Comptroller of the  
19 disbursement certification to the Authority provided for in  
20 this Section to be given to the Comptroller by the Department,  
21 the Comptroller shall cause the orders to be drawn for that  
22 amount in accordance with the directions contained in the  
23 certification.

24 (i) The Board may not impose any other taxes except as it  
25 may from time to time be authorized by law to impose.

26 (j) 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), (e), (f) or  
5 (g) of this Section and no additional registration shall be  
6 required under the tax. A certificate issued under the Use Tax  
7 Act or the Service Use Tax Act shall be applicable with regard  
8 to any tax imposed under paragraph (c) of this Section.

9 (k) The provisions of any tax imposed under paragraph (c)  
10 of this Section shall conform as closely as may be practicable  
11 to the provisions of the Use Tax Act, including without  
12 limitation conformity as to penalties with respect to the tax  
13 imposed and as to the powers of the State Department of Revenue  
14 to promulgate and enforce rules and regulations relating to the  
15 administration and enforcement of the provisions of the tax  
16 imposed. The taxes shall be imposed only on use within the  
17 metropolitan region and at rates as provided in the paragraph.

18 (l) The Board in imposing any tax as provided in paragraphs  
19 (b) and (c) of this Section, shall, after seeking the advice of  
20 the State Department of Revenue, provide means for retailers,  
21 users or purchasers of motor fuel for purposes other than those  
22 with regard to which the taxes may be imposed as provided in  
23 those paragraphs to receive refunds of taxes improperly paid,  
24 which provisions may be at variance with the refund provisions  
25 as applicable under the Municipal Retailers Occupation Tax Act.  
26 The State Department of Revenue may provide for certificates of



1 registration for users or purchasers of motor fuel for purposes  
2 other than those with regard to which taxes may be imposed as  
3 provided in paragraphs (b) and (c) of this Section to  
4 facilitate the reporting and nontaxability of the exempt sales  
5 or uses.

6 (m) Any ordinance imposing or discontinuing any tax under  
7 this Section shall be adopted and a certified copy thereof  
8 filed with the Department on or before June 1, whereupon the  
9 Department of Revenue shall proceed to administer and enforce  
10 this Section on behalf of the Regional Transportation Authority  
11 as of September 1 next following such adoption and filing.  
12 Beginning January 1, 1992, an ordinance or resolution imposing  
13 or discontinuing the tax hereunder shall be adopted and a  
14 certified copy thereof filed with the Department on or before  
15 the first day of July, whereupon the Department shall proceed  
16 to administer and enforce this Section as of the first day of  
17 October next following such adoption and filing. Beginning  
18 January 1, 1993, an ordinance or resolution imposing,  
19 increasing, decreasing, or discontinuing the tax hereunder  
20 shall be adopted and a certified copy thereof filed with the  
21 Department, whereupon the Department shall proceed to  
22 administer and enforce this Section as of the first day of the  
23 first month to occur not less than 60 days following such  
24 adoption and filing. Any ordinance or resolution of the  
25 Authority imposing a tax under this Section and in effect on  
26 August 1, 2007 shall remain in full force and effect and shall

1 be administered by the Department of Revenue under the terms  
2 and conditions and rates of tax established by such ordinance  
3 or resolution until the Department begins administering and  
4 enforcing an increased tax under this Section as authorized by  
5 this amendatory Act of the 95th General Assembly. The tax rates  
6 authorized by this amendatory Act of the 95th General Assembly  
7 are effective only if imposed by ordinance of the Authority.

8 (n) The State Department of Revenue shall, upon collecting  
9 any taxes as provided in this Section, pay the taxes over to  
10 the State Treasurer as trustee for the Authority. The taxes  
11 shall be held in a trust fund outside the State Treasury. On or  
12 before the 25th day of each calendar month, the State  
13 Department of Revenue shall prepare and certify to the  
14 Comptroller of the State of Illinois and to the Authority (i)  
15 the amount of taxes collected in each County other than Cook  
16 County in the metropolitan region, (ii) the amount of taxes  
17 collected within the City of Chicago, and (iii) the amount  
18 collected in that portion of Cook County outside of Chicago,  
19 each amount less the amount necessary for the payment of  
20 refunds to taxpayers located in those areas described in items  
21 (i), (ii), and (iii). Within 10 days after receipt by the  
22 Comptroller of the certification of the amounts, the  
23 Comptroller shall cause an order to be drawn for the payment of  
24 two-thirds of the amounts certified in item (i) of this  
25 subsection to the Authority and one-third of the amounts  
26 certified in item (i) of this subsection to the respective

1 counties other than Cook County and the amount certified in  
2 items (ii) and (iii) of this subsection to the Authority.

3 In addition to the disbursement required by the preceding  
4 paragraph, an allocation shall be made in July 1991 and each  
5 year thereafter to the Regional Transportation Authority. The  
6 allocation shall be made in an amount equal to the average  
7 monthly distribution during the preceding calendar year  
8 (excluding the 2 months of lowest receipts) and the allocation  
9 shall include the amount of average monthly distribution from  
10 the Regional Transportation Authority Occupation and Use Tax  
11 Replacement Fund. The distribution made in July 1992 and each  
12 year thereafter under this paragraph and the preceding  
13 paragraph shall be reduced by the amount allocated and  
14 disbursed under this paragraph in the preceding calendar year.  
15 The Department of Revenue shall prepare and certify to the  
16 Comptroller for disbursement the allocations made in  
17 accordance with this paragraph.

18 (o) Failure to adopt a budget ordinance or otherwise to  
19 comply with Section 4.01 of this Act or to adopt a Five-year  
20 Capital Program or otherwise to comply with paragraph (b) of  
21 Section 2.01 of this Act shall not affect the validity of any  
22 tax imposed by the Authority otherwise in conformity with law.

23 (p) At no time shall a public transportation tax or motor  
24 vehicle parking tax authorized under paragraphs (b), (c) and  
25 (d) of this Section be in effect at the same time as any  
26 retailers' occupation, use or service occupation tax

1 authorized under paragraphs (e), (f) and (g) of this Section is  
2 in effect.

3 Any taxes imposed under the authority provided in  
4 paragraphs (b), (c) and (d) shall remain in effect only until  
5 the time as any tax authorized by paragraphs (e), (f) or (g) of  
6 this Section are imposed and becomes effective. Once any tax  
7 authorized by paragraphs (e), (f) or (g) is imposed the Board  
8 may not reimpose taxes as authorized in paragraphs (b), (c) and  
9 (d) of the Section unless any tax authorized by paragraphs (e),  
10 (f) or (g) of this Section becomes ineffective by means other  
11 than an ordinance of the Board.

12 (q) Any existing rights, remedies and obligations  
13 (including enforcement by the Regional Transportation  
14 Authority) arising under any tax imposed under paragraphs (b),  
15 (c) or (d) of this Section shall not be affected by the  
16 imposition of a tax under paragraphs (e), (f) or (g) of this  
17 Section.

18 (Source: P.A. 95-708, eff. 1-18-08.)

19 Section 105. The Water Commission Act of 1985 is amended by  
20 changing Section 4 as follows:

21 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

22 Sec. 4. (a) The board of commissioners of any county water  
23 commission may, by ordinance, impose throughout the territory  
24 of the commission any or all of the taxes provided in this

1 Section for its corporate purposes. However, no county water  
 2 commission may impose any such tax unless the commission  
 3 certifies the proposition of imposing the tax to the proper  
 4 election officials, who shall submit the proposition to the  
 5 voters residing in the territory at an election in accordance  
 6 with the general election law, and the proposition has been  
 7 approved by a majority of those voting on the proposition.

8 The proposition shall be in the form provided in Section 5  
 9 or shall be substantially in the following form:

10 -----  
 11 Shall the (insert corporate  
 12 name of county water commission) YES  
 13 impose (state type of tax or -----  
 14 taxes to be imposed) at the NO  
 15 rate of 1/4%?  
 16 -----

17 Taxes imposed under this Section and civil penalties  
 18 imposed incident thereto shall be collected and enforced by the  
 19 State Department of Revenue. The Department shall have the  
 20 power to administer and enforce the taxes and to determine all  
 21 rights for refunds for erroneous payments of the taxes.

22 (b) The board of commissioners may impose a County Water  
 23 Commission Retailers' Occupation Tax upon all persons engaged  
 24 in the business of selling tangible personal property at retail  
 25 in the territory of the commission at a rate of 1/4% of the  
 26 gross receipts from the sales made in the course of such

1 business within the territory. The tax imposed under this  
2 paragraph and all civil penalties that may be assessed as an  
3 incident thereof shall be collected and enforced by the State  
4 Department of Revenue. The Department shall have full power to  
5 administer and enforce this paragraph; to collect all taxes and  
6 penalties due hereunder; to dispose of taxes and penalties so  
7 collected in the manner hereinafter provided; and to determine  
8 all rights to credit memoranda arising on account of the  
9 erroneous payment of tax or penalty hereunder. In the  
10 administration of, and compliance with, this paragraph, the  
11 Department and persons who are subject to this paragraph shall  
12 have the same rights, remedies, privileges, immunities, powers  
13 and duties, and be subject to the same conditions,  
14 restrictions, limitations, penalties, exclusions, exemptions  
15 and definitions of terms, and employ the same modes of  
16 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
17 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
18 therein other than the State rate of tax except that food for  
19 human consumption that is to be consumed off the premises where  
20 it is sold (other than alcoholic beverages, soft drinks, and  
21 food that has been prepared for immediate consumption) and  
22 prescription and nonprescription medicine, drugs, medical  
23 appliances and insulin, urine testing materials, syringes, and  
24 needles used by diabetics, for human use, shall not be subject  
25 to tax hereunder), 2c, 3 (except as to the disposition of taxes  
26 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,

1 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the  
2 Retailers' Occupation Tax Act and Section 3-7 of the Uniform  
3 Penalty and Interest Act, as fully as if those provisions were  
4 set forth herein.

5 Persons subject to any tax imposed under the authority  
6 granted in this paragraph may reimburse themselves for their  
7 seller's tax liability hereunder by separately stating the tax  
8 as an additional charge, which charge may be stated in  
9 combination, in a single amount, with State taxes that sellers  
10 are required to collect under the Use Tax Act and under  
11 subsection (e) of Section 4.03 of the Regional Transportation  
12 Authority Act, in accordance with such bracket schedules as the  
13 Department may prescribe.

14 Whenever the Department determines that a refund should be  
15 made under this paragraph to a claimant instead of issuing a  
16 credit memorandum, the Department shall notify the State  
17 Comptroller, who shall cause the warrant to be drawn for the  
18 amount specified, and to the person named, in the notification  
19 from the Department. The refund shall be paid by the State  
20 Treasurer out of a county water commission tax fund established  
21 under paragraph (g) of this Section.

22 For the purpose of determining whether a tax authorized  
23 under this paragraph is applicable, a retail sale by a producer  
24 of coal or other mineral mined in Illinois is a sale at retail  
25 at the place where the coal or other mineral mined in Illinois  
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the  
2 seller to the purchaser at a point outside Illinois so that the  
3 sale is exempt under the Federal Constitution as a sale in  
4 interstate or foreign commerce.

5 If a tax is imposed under this subsection (b) a tax shall  
6 also be imposed under subsections (c) and (d) of this Section.

7 No tax shall be imposed or collected under this subsection  
8 on the sale of a motor vehicle in this State to a resident of  
9 another state if that motor vehicle will not be titled in this  
10 State.

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

16 (c) If a tax has been imposed under subsection (b), a  
17 County Water Commission Service Occupation Tax shall also be  
18 imposed upon all persons engaged, in the territory of the  
19 commission, in the business of making sales of service, who, as  
20 an incident to making the sales of service, transfer tangible  
21 personal property within the territory. The tax rate shall be  
22 1/4% of the selling price of tangible personal property so  
23 transferred within the territory. The tax imposed under this  
24 paragraph and all civil penalties that may be assessed as an  
25 incident thereof shall be collected and enforced by the State  
26 Department of Revenue. The Department shall have full power to



1 administer and enforce this paragraph; to collect all taxes and  
2 penalties due hereunder; to dispose of taxes and penalties so  
3 collected in the manner hereinafter provided; and to determine  
4 all rights to credit memoranda arising on account of the  
5 erroneous payment of tax or penalty hereunder. In the  
6 administration of, and compliance with, this paragraph, the  
7 Department and persons who are subject to this paragraph shall  
8 have the same rights, remedies, privileges, immunities, powers  
9 and duties, and be subject to the same conditions,  
10 restrictions, limitations, penalties, exclusions, exemptions  
11 and definitions of terms, and employ the same modes of  
12 procedure, as are prescribed in Sections 1a-1, 2 (except that  
13 the reference to State in the definition of supplier  
14 maintaining a place of business in this State shall mean the  
15 territory of the commission), 2a, 3 through 3-50 (in respect to  
16 all provisions therein other than the State rate of tax except  
17 that food for human consumption that is to be consumed off the  
18 premises where it is sold (other than alcoholic beverages, soft  
19 drinks, and food that has been prepared for immediate  
20 consumption) and prescription and nonprescription medicines,  
21 drugs, medical appliances and insulin, urine testing  
22 materials, syringes, and needles used by diabetics, for human  
23 use, shall not be subject to tax hereunder), 4 (except that the  
24 reference to the State shall be to the territory of the  
25 commission), 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 commission), 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 territory of the  
7 commission), the first paragraph of Section 15, 15.5, 16, 17,  
8 18, 19 and 20 of the Service Occupation Tax Act as fully as if  
9 those provisions were set forth herein.

10 Persons subject to any tax imposed under the authority  
11 granted in this paragraph may reimburse themselves for their  
12 serviceman's tax liability hereunder by separately stating the  
13 tax as an additional charge, which charge may be stated in  
14 combination, in a single amount, with State tax that servicemen  
15 are authorized to collect under the Service Use Tax Act, and  
16 any tax for which servicemen may be liable under subsection (f)  
17 of Sec. 4.03 of the Regional Transportation Authority Act, in  
18 accordance with such bracket schedules as the Department may  
19 prescribe.

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

1 under paragraph (g) of this Section.

2 Nothing in this paragraph shall be construed to authorize a  
3 county water commission 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 the  
6 State.

7 (d) If a tax has been imposed under subsection (b), a tax  
8 shall also imposed upon the privilege of using, in the  
9 territory of the commission, any item of tangible personal  
10 property that is purchased outside the territory at retail from  
11 a retailer, and that is titled or registered with an agency of  
12 this State's government, at a rate of 1/4% of the selling price  
13 of the tangible personal property within the territory, as  
14 "selling price" is defined in the Use Tax Act. The tax shall be  
15 collected from persons whose Illinois address for titling or  
16 registration purposes is given as being in the territory. The  
17 tax shall be collected by the Department of Revenue for a  
18 county water commission. The tax must be paid to the State, or  
19 an exemption determination must be obtained from the Department  
20 of Revenue, before the title or certificate of registration for  
21 the property may be issued. The tax or proof of exemption may  
22 be transmitted to the Department by way of the State agency  
23 with which, or the State officer with whom, the tangible  
24 personal property must be titled or registered if the  
25 Department and the State agency or State officer determine that  
26 this procedure will expedite the processing of applications for

1 title or registration.

2 The Department shall have full power to administer and  
3 enforce this paragraph; to collect all taxes, penalties and  
4 interest due hereunder; to dispose of taxes, penalties and  
5 interest so collected in the manner hereinafter provided; and  
6 to determine all rights to credit memoranda or refunds arising  
7 on account of the erroneous payment of tax, penalty or interest  
8 hereunder. In the administration of, and compliance with this  
9 paragraph, the Department and persons who are subject to this  
10 paragraph shall have the same rights, remedies, privileges,  
11 immunities, powers and duties, and be subject to the same  
12 conditions, restrictions, limitations, penalties, exclusions,  
13 exemptions and definitions of terms and employ the same modes  
14 of procedure, as are prescribed in Sections 2 (except the  
15 definition of "retailer maintaining a place of business in this  
16 State"), 3 through 3-80 (except provisions pertaining to the  
17 State rate of tax, and except provisions concerning collection  
18 or refunding of the tax by retailers, and except that food for  
19 human consumption that is to be consumed off the premises where  
20 it is sold (other than alcoholic beverages, soft drinks, and  
21 food that has been prepared for immediate consumption) and  
22 prescription and nonprescription medicines, drugs, medical  
23 appliances and insulin, urine testing materials, syringes, and  
24 needles used by diabetics, for human use, shall not be subject  
25 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the  
26 portions pertaining to claims by retailers and except the last

1 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
2 and Section 3-7 of the Uniform Penalty and Interest Act that  
3 are not inconsistent with this paragraph, as fully as if those  
4 provisions were set forth herein.

5 Whenever the Department determines that a refund should be  
6 made under this paragraph 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 a county water commission tax fund established  
12 under paragraph (g) of this Section.

13 (e) 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), (c) or (d) of  
18 this Section and no additional registration shall be required  
19 under the tax. A certificate issued under the Use Tax Act or  
20 the Service Use Tax Act shall be applicable with regard to any  
21 tax imposed under paragraph (c) of this Section.

22 (f) Any ordinance imposing or discontinuing any tax under  
23 this Section shall be adopted and a certified copy thereof  
24 filed with the Department on or before June 1, whereupon the  
25 Department of Revenue shall proceed to administer and enforce  
26 this Section on behalf of the county water commission as of

1 September 1 next following the adoption and filing. Beginning  
2 January 1, 1992, an ordinance or resolution imposing or  
3 discontinuing the tax hereunder shall be adopted and a  
4 certified copy thereof filed with the Department on or before  
5 the first day of July, whereupon the Department shall proceed  
6 to administer and enforce this Section as of the first day of  
7 October next following such adoption and filing. Beginning  
8 January 1, 1993, an ordinance or resolution imposing or  
9 discontinuing the tax hereunder shall be adopted and a  
10 certified copy thereof filed with the Department on or before  
11 the first day of October, whereupon the Department shall  
12 proceed to administer and enforce this Section as of the first  
13 day of January next following such adoption and filing.

14 (g) The State Department of Revenue shall, upon collecting  
15 any taxes as provided in this Section, pay the taxes over to  
16 the State Treasurer as trustee for the commission. The taxes  
17 shall be held in a trust fund outside the State Treasury.

18 As soon as possible after the first day of each month,  
19 beginning January 1, 2010, 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 before the 25th day of each calendar month, the State

1 Department of Revenue shall prepare and certify to the  
2 Comptroller of the State of Illinois the amount to be paid to  
3 the commission, which shall be the then balance in the fund,  
4 less any amount determined by the Department to be necessary  
5 for the payment of refunds, and less any amounts that are  
6 transferred to the STAR Bonds Revenue Fund. Within 10 days  
7 after receipt by the Comptroller of the certification of the  
8 amount to be paid to the commission, the Comptroller shall  
9 cause an order to be drawn for the payment for the amount in  
10 accordance with the direction in the certification.

11 (Source: P.A. 92-221, eff. 8-2-01; 93-1068, eff. 1-15-05.)

12 Section 999. Effective date. This Act takes effect upon  
13 becoming law.