



Rep. Thomas Holbrook

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1 AMENDMENT TO SENATE BILL 1909

2 AMENDMENT NO. _____. Amend Senate Bill 1909 by replacing
3 everything after the enacting clause with the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

22 "Developer" means any individual, corporation, trust,
23 estate, partnership, limited liability partnership, limited
24 liability company, or other entity. The term does not include a
25 not-for-profit entity, political subdivision, or other agency
26 or instrumentality of the State.

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

4 "Economic impact study" means a study conducted by an
5 independent economist to project the financial benefit of the
6 proposed STAR bond project to the local, regional, and State
7 economies, consider the proposed adverse impacts on similar
8 projects and businesses, as well as municipalities within the
9 projected market area, and draw conclusions about the net
10 effect of the proposed STAR bond project on the local,
11 regional, and State economies. A copy of the economic impact
12 study shall be provided to the Director for review.

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

1 (a) the governing body of the political subdivision
2 shall have determined that the area meets the requirements
3 of a "blighted area" as defined under the Tax Increment
4 Allocation Redevelopment Act;

5 (b) the governing body of the political subdivision
6 shall have determined that the area is a blighted area as
7 determined under the provisions of Section 11-74.3-5 of the
8 Illinois Municipal Code;

9 (c) the governing body of the political subdivision
10 shall have made findings with respect to the property, the
11 proposed STAR bond project, and the proposed master
12 developer that would be required to enter into an economic
13 incentive agreement pursuant to the provisions of Section
14 8-11-20 of the Illinois Municipal Code; or

15 (d) the governing body of the political subdivision
16 shall make the following findings:

17 (i) that the vacant portions of the area have
18 remained vacant for at least one year, or that any
19 building located on a vacant portion of the property
20 was demolished within the last year and that the
21 building would have qualified under item (ii) of this
22 subsection;

23 (ii) if portions of the area are currently
24 developed, that the use, condition, and character of
25 the buildings on the property are not consistent with
26 the purposes set forth in Section 5;

1 (iii) that the STAR bond district is expected to
2 create or retain job opportunities within the
3 political subdivision;

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

6 (v) that without the availability of STAR bonds,
7 the projects described in the STAR bond district plan
8 would not be possible;

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

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

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

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

26 "Feasibility study" means a feasibility study as defined in

1 subsection (b) of Section 20.

2 "Infrastructure" means the public improvements and private
3 improvements that serve the public purposes set forth in
4 Section 5 of this Act and that benefit the STAR bond district
5 or any STAR bond projects, including, but not limited to,
6 streets, drives and driveways, traffic and directional signs
7 and signals, parking lots and parking facilities,
8 interchanges, highways, sidewalks, bridges, underpasses and
9 overpasses, bike and walking trails, sanitary storm sewers and
10 lift stations, drainage conduits, channels, levees, canals,
11 storm water detention and retention facilities, utilities and
12 utility connections, water mains and extensions, and street and
13 parking lot lighting and connections.

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

1 "Local sales tax increment" means, with respect to local
2 sales taxes administered by the Illinois Department of Revenue,
3 that portion of the local sales tax that is in excess of the
4 local sales tax for the same month in the base year, as
5 determined by the Illinois Department of Revenue. "Local sales
6 tax increment" means, with respect to local sales taxes
7 administered by a municipality, county, or other unit of local
8 government, that portion of the local sales tax that is in
9 excess of the local sales tax for the same month in the base
10 year, as determined by the respective municipality, county, or
11 other unit of local government. The Illinois Department of
12 Revenue shall allocate the local sales tax increment only if
13 the local sales tax is administered by the Department.

14 "Market study" means a study to determine the ability of
15 the proposed STAR bond project to gain market share locally and
16 regionally and to remain profitable past the term of repayment
17 of STAR bonds.

18 "Master developer" means a developer cooperating with a
19 political subdivision to plan, develop, and implement a STAR
20 bond project plan for a STAR bond district. Subject to the
21 limitations of Section 25, the master developer may work with
22 and transfer certain development rights to other developers for
23 the purpose of implementing STAR bond project plans and
24 achieving the purposes of this Act. A master developer for a
25 STAR bond district shall be appointed by a political
26 subdivision in the resolution establishing the STAR bond

1 district, and the master developer must, at the time of
2 appointment, own or have control of, through purchase
3 agreements, option contracts, or other means, not less than 50%
4 of the acreage within the STAR bond district and the master
5 developer or its affiliate must have ownership or control on
6 May 26, 2009.

7 "Master development agreement" means an agreement between
8 the master developer and the political subdivision to govern a
9 STAR bond district and any STAR bond projects.

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

12 "Pledged STAR revenues" means those sales tax and revenues
13 and other sources of funds pledged to pay debt service on STAR
14 bonds or to pay project costs pursuant to Section 30.
15 Notwithstanding any provision to the contrary, the following
16 revenues shall not constitute pledged STAR revenues or be
17 available to pay principal and interest on STAR bonds: any
18 State sales tax increment or local sales tax increment from a
19 retail entity initiating operations in a STAR bond district
20 while terminating operations at another Illinois location
21 within 25 miles of the STAR bond district. For purposes of this
22 paragraph, "terminating operations" means a closing of a retail
23 operation that is directly related to the opening of the same
24 operation or like retail entity owned or operated by more than
25 50% of the original ownership in a STAR bond district within
26 one year before or after initiating operations in the STAR bond

1 district, but it does not mean closing an operation for reasons
2 beyond the control of the retail entity, as documented by the
3 retail entity, subject to a reasonable finding by the
4 municipality that the current location contained inadequate
5 space, had become economically obsolete, or was no longer a
6 viable location for the retailer or serviceman.

7 "Political subdivision" means a municipality or county
8 which undertakes to establish a STAR bond district pursuant to
9 the provisions of this Act.

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

18 (a) costs of studies, surveys, development of plans and
19 specifications, formation, implementation, and
20 administration of a STAR bond district, STAR bond district
21 plan, any STAR bond projects, or any STAR bond project
22 plans, including, but not limited to, staff and
23 professional service costs for architectural, engineering,
24 legal, financial, planning, or other services, provided
25 however that no charges for professional services may be
26 based on a percentage of the tax increment collected and no

1 contracts for professional services, excluding
2 architectural and engineering services, may be entered
3 into if the terms of the contract extend beyond a period of
4 3 years;

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

16 (c) subject to paragraph (d), costs of buildings or
17 other vertical improvements that are located within the
18 boundaries of a STAR Bond district and owned by a political
19 subdivision or other public entity, including without
20 limitation police and fire stations, educational
21 facilities, or public restrooms and rest areas;

22 (d) costs of the design and construction of
23 infrastructure and public works located within the
24 boundaries of a STAR bond district that are reasonable or
25 necessary to implement a STAR bond district plan or any
26 STAR bond project plans, or both, except that project costs

1 shall not include the cost of constructing a new municipal
2 public building principally used to provide offices,
3 storage space, or conference facilities or vehicle
4 storage, maintenance, or repair for administrative, public
5 safety, or public works personnel and that is not intended
6 to replace an existing public building unless the political
7 subdivision makes a reasonable determination in a STAR bond
8 district plan or any STAR bond project plans, supported by
9 information that provides the basis for that
10 determination, that the new municipal building is required
11 to meet an increase in the need for public safety purposes
12 anticipated to result from the implementation of the STAR
13 bond district plan or any STAR bond project plans;

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

1 (f) costs of job training and retraining projects,
2 including the cost of "welfare to work" programs
3 implemented by businesses located within a STAR bond
4 district;

5 (g) financing costs, including, but not limited to, all
6 necessary and incidental expenses related to the issuance
7 of obligations and which may include payment of interest on
8 any obligations issued hereunder including interest
9 accruing during the estimated period of construction of any
10 improvements in a STAR bond district or any STAR bond
11 projects for which such obligations are issued and for not
12 exceeding 36 months thereafter and including reasonable
13 reserves related thereto;

14 (h) to the extent the political subdivision by written
15 agreement accepts and approves the same, all or a portion
16 of a taxing district's capital costs resulting from a STAR
17 bond district or STAR bond projects necessarily incurred or
18 to be incurred within a taxing district in furtherance of
19 the objectives of a STAR bond district plan or STAR bond
20 project plans;

21 (i) interest cost incurred by a developer for project
22 costs related to the acquisition, formation,
23 implementation, development, construction, and
24 administration of a STAR bond district, STAR bond district
25 plan, STAR bond projects, or any STAR bond project plans
26 provided that:

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

5 (ii) the total of such interest payments paid
6 pursuant to this Act may not exceed 30% of the total
7 cost paid or incurred by the developer for a STAR bond
8 district or STAR bond projects, plus project costs,
9 excluding any property assembly costs incurred by a
10 political subdivision pursuant to this Act;

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

13 (k) costs of landscaping and plantings, retaining
14 walls and fences, man-made lakes and ponds, shelters,
15 benches, lighting, and similar amenities located within
16 the boundaries of a STAR bond district;

17 (l) costs of mounted building signs, site monument, and
18 pylon signs located within the boundaries of a STAR bond
19 district; or

20 (m) if included in the STAR bond district plan and
21 approved in writing by the Director, salaries or a portion
22 of salaries for local government employees to the extent
23 the same are directly attributable to the work of such
24 employees on the establishment and management of a STAR
25 bond district or any STAR bond projects.

26 Except as specified in items (a) through (m), "project

1 costs" shall not include:

2 (i) the cost of construction of buildings that are
3 privately-owned or owned by a municipality and leased to a
4 developer or retail user for non-entertainment retail
5 uses;

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

8 (iii) property taxes for property located in the STAR
9 bond district;

10 (iv) lobbying costs; and

11 (v) general overhead or administrative costs of the
12 political subdivision that would still have been incurred
13 by the political subdivision if the political subdivision
14 had not established a STAR bond district.

15 "Project development agreement" means any one or more
16 agreements, including any amendments thereto, between a master
17 developer and any co-developer or sub-developer in connection
18 with a STAR bond project, which project development agreement
19 may include the political subdivision as a party.

20 "Projected market area" means any area within the State in
21 which a STAR bond district or STAR bond project is projected to
22 have a significant fiscal or market impact as determined by the
23 Director.

24 "Resolution" means a resolution, order, ordinance, or
25 other appropriate form of legislative action of a political
26 subdivision or other applicable public entity approved by a

1 vote of a majority of a quorum at a meeting of the governing
2 body of the political subdivision or applicable public entity.

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

5 "STAR bond district" means the specific area declared to be
6 an eligible area as determined by the political subdivision,
7 and approved by the Director, in which the political
8 subdivision may develop one or more STAR bond projects.

9 "STAR bond district plan" means the preliminary or
10 conceptual plan that generally identifies the proposed STAR
11 bond project areas and identifies in a general manner the
12 buildings, facilities, and improvements to be constructed or
13 improved in each STAR bond project area.

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

16 "STAR bond project area" means the geographic area within a
17 STAR bond district in which there may be one or more STAR bond
18 projects.

19 "STAR bond project plan" means the written plan adopted by
20 a political subdivision for the development of a STAR bond
21 project in a STAR bond district; the plan may include, but is
22 not limited to, (i) project costs incurred prior to the date of
23 the STAR bond project plan and estimated future STAR bond
24 project costs, (ii) proposed sources of funds to pay those
25 costs, (iii) the nature and estimated term of any obligations
26 to be issued by the political subdivision to pay those costs,

1 (iv) the most recent equalized assessed valuation of the STAR
2 bond project area, (v) an estimate of the equalized assessed
3 valuation of the STAR bond district or applicable project area
4 after completion of a STAR bond project, (vi) a general
5 description of the types of any known or proposed developers,
6 users, or tenants of the STAR bond project or projects included
7 in the plan, (vii) a general description of the type,
8 structure, and character of the property or facilities to be
9 developed or improved, (viii) a description of the general land
10 uses to apply to the STAR bond project, and (ix) a general
11 description or an estimate of the type, class, and number of
12 employees to be employed in the operation of the STAR bond
13 project.

14 "State sales tax" means all of the net revenue realized
15 under the Retailers' Occupation Tax Act, the Use Tax Act, the
16 Service Use Tax Act, and the Service Occupation Tax Act from
17 transactions at places of business located within a STAR bond
18 district. For the purposes of this Act, "State sales tax" does
19 not include any State sales taxes that are, at the time of
20 formation of a STAR bond district, already subject to tax
21 increment financing under the Tax Increment Allocation
22 Redevelopment Act.

23 "State sales tax increment" means that portion of the State
24 sales tax that is in excess of the State sales tax for the same
25 month in the base year, as determined by the Department of
26 Revenue.

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

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

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

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

21 (a) When a political subdivision proposes to establish a
22 STAR bond district, the political subdivision shall adopt a
23 resolution stating that the political subdivision is
24 considering the establishment of a STAR bond district. The
25 resolution shall:

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

6 (2) describe the proposed general boundaries of the
7 STAR bond district;

8 (3) describe the STAR bond district plan;

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

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

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

16 (b) Upon the conclusion of the public hearing the governing
17 body of the political subdivision may consider a resolution to
18 establish the STAR bond district.

19 (1) A resolution to establish a STAR bond district
20 shall:

21 (A) make findings that the proposed STAR bond
22 district is to be developed with one or more STAR bond
23 projects;

24 (B) make findings that the STAR bond district is an
25 eligible area;

26 (C) contain a STAR bond district plan that

1 identifies in a general manner the buildings and
2 facilities that are proposed to be constructed or
3 improved in subsequent STAR bond projects;

4 (D) contain the legal description of the STAR bond
5 district;

6 (E) appoint the master developer for the STAR bond
7 district; and

8 (F) establish the STAR bond district, contingent
9 upon approval of the Director as set forth in
10 subsection (d).

11 (2) If the resolution is not adopted by the political
12 subdivision within 60 days from the conclusion of the
13 public hearing, then the STAR bond district shall not be
14 established.

15 (3) Upon adoption of a resolution establishing a STAR
16 bond district, the political subdivision shall send a
17 certified copy of such resolution to the Department of
18 Revenue.

19 (c) Upon the establishment of a STAR bond district, the
20 STAR bond district and any STAR bond projects shall be governed
21 by a master development agreement between the political
22 subdivision and the master developer. A STAR bond district that
23 is partially outside the boundaries of a municipality shall
24 only require one master development agreement; the agreement
25 shall be between the municipality and the master developer. In
26 no event shall there be more than one master development

1 agreement governing the terms and conditions of a STAR bond
2 district.

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

1 purposes of this Act. The Director shall promptly send a copy
2 of its written findings and approval or denial of a STAR bond
3 district to the requesting political subdivision.

4 Section 20. Approval of STAR bond projects. The governing
5 body of a political subdivision may establish one or more STAR
6 bond projects in any STAR bond district. A STAR bond project
7 which is partially outside the boundaries of a municipality
8 must also be approved by the governing body of the county by
9 resolution.

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

17 (b) Any political subdivision considering a STAR bond
18 project within a STAR bond district shall cause to be prepared
19 an independent feasibility study by a feasibility consultant
20 with copies provided to the Director and the Department of
21 Commerce and Economic Opportunity. The feasibility study shall
22 include the following:

23 (1) the estimated amount of pledged STAR revenues
24 expected to be collected in each year through the maturity
25 date of the proposed STAR bonds;

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

4 (3) visitation expectations;

5 (4) the unique quality of the project;

6 (5) an economic impact study;

7 (6) a market study;

8 (7) integration and collaboration with other resources
9 or businesses;

10 (8) the quality of service and experience provided, as
11 measured against national consumer standards for the
12 specific target market;

13 (9) project accountability, measured according to best
14 industry practices;

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

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

19 The feasibility consultant, along with the independent
20 economist and any other consultants commissioned to perform the
21 studies and other analysis required by the feasibility study,
22 shall be selected by mutual agreement of the Director and the
23 political subdivision. The consultants shall be jointly
24 retained by the Director and the political subdivision.

25 The failure to include all information enumerated in this
26 subsection in the feasibility study for a STAR bond project

1 shall not affect the validity of STAR bonds issued pursuant to
2 this Act.

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

5 (1) a summary of the feasibility study;

6 (2) a reference to the STAR bond district plan that
7 identifies the STAR bond project area that is set forth in
8 the STAR bond project plan that is being considered;

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

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

14 (5) any other information the governing body of the
15 political subdivision deems reasonable and necessary to
16 advise the public of the intent of the STAR bond project
17 plan.

18 (d) Before a political subdivision may hold a public
19 hearing to consider a STAR bond project plan, the Department of
20 Commerce and Economic Opportunity shall hold a regional public
21 meeting to discuss, evaluate, and review the merits of the STAR
22 bond project plan. The public meeting shall be held at the
23 county courthouse, or if the county courthouse is not
24 available, at such other place as may be convenient to the
25 citizens of the region and the public meeting shall be held
26 within 20 days after the receipt of the feasibility study by

1 the Director. Notice of the public meeting shall be delivered
2 to the Director and the political subdivision and shall be
3 published once in a newspaper of general circulation in the
4 political subdivision not less than one week and not more than
5 3 weeks preceding the date of the public meeting. At the public
6 meeting, all interested persons shall be given an opportunity
7 to be heard. At the conclusion of the public meeting, the
8 Department of Commerce and Economic Opportunity shall provide a
9 report to the Director concerning the testimony of the public
10 meeting.

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

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

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

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

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

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

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

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

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

25 (1) The date fixed for the public hearing to consider
26 the adoption of the STAR bond project plan shall be not

1 less than 20 nor more than 90 days following the date of
2 the adoption of the resolution fixing the date of the
3 hearing.

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

21 (3) At the public hearing, a representative of the
22 political subdivision or master developer shall present
23 the STAR bond project plan. Following the presentation of
24 the STAR bond project plan, all interested persons shall be
25 given an opportunity to be heard. The governing body may
26 continue the date and time of the public hearing.

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

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

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

23 If a certified copy of the resolution adopting the STAR
24 bond project plan is filed with the Department on or before the
25 first day of April, the Department, if all other requirements
26 of this subsection are met, shall proceed to collect and

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

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

17 The Department of Revenue shall not collect or allocate any
18 local sales tax increment or State sales tax increment, until
19 the political subdivision also provides, in the manner
20 prescribed by the Department, the boundaries of the STAR bond
21 project area and each address in the STAR bond project area in
22 such a way that the Department can determine by its address
23 whether a business is located in the STAR bond project area.
24 The political subdivision must provide this boundary and
25 address information to the Department on or before April 1 for
26 administration and enforcement under this Act by the Department

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

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

25 (l) Any developer of a STAR bond project shall commence
26 work on the STAR bond project within 3 years from the date of

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

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

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

24 Section 25. Co-Developers and sub-developers. Upon
25 approval of a STAR bond project by the political subdivision,

1 the master developer may, subject to the approval of the
2 Director and the political subdivision, develop the STAR bond
3 project on its own or it may develop the STAR bond project with
4 another developer, which may include an assignment or transfer
5 of development rights.

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

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

22 Section 30. STAR bonds; source of payment. Any political
23 subdivision shall have the power to issue STAR bonds in one or
24 more series to finance the undertaking of any STAR bond project
25 in accordance with the provisions of this Act and the Omnibus

1 Bond Acts. STAR bonds may be issued as revenue bonds, alternate
2 bonds, or general obligation bonds as defined in and subject to
3 the procedures provided in the Local Government Debt Reform
4 Act.

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

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

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

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

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

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

24 (6) any other revenues appropriated by the political
25 subdivision; and

26 (7) any combination of these methods.

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

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

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

22 (e) There is created in the State treasury a special fund
23 to be known as the STAR Bonds Revenue Fund. As soon as possible
24 after the first day of each month, beginning January 1, 2010,
25 upon certification of the Department of Revenue, the
26 Comptroller shall order transferred, and the Treasurer shall

1 transfer, from the General Revenue Fund to the STAR Bonds
2 Revenue Fund the State sales tax increment for the second
3 preceding month, less the amount of the State sales tax
4 increment deposited into the Local Government Tax Fund and the
5 County and Mass Transit District Fund. As soon as possible
6 after the first day of each month, beginning January 1, 2010,
7 upon certification of the Department of Revenue, the
8 Comptroller shall order transferred, and the Treasurer shall
9 transfer, from the Local Government Tax Fund to the STAR Bonds
10 Revenue Fund the State sales tax increment for the second
11 preceding month, as provided in Section 6z-18 of the State
12 Finance Act and from the County and Mass Transit District Fund
13 to the STAR Bonds Revenue Fund the State sales tax increment
14 for the second preceding month, as provided in Section 6z-20 of
15 the State Finance Act.

16 On or before the 25th day of each calendar month, beginning
17 in January 2010, the Department shall prepare and certify to
18 the Comptroller the disbursement of stated sums of money out of
19 the STAR Bonds Revenue Fund to named municipalities and
20 counties, the municipalities and counties to be those entitled
21 to distribution of taxes or penalties paid to the Department
22 during the second preceding calendar month. The amount to be
23 paid to each municipality or county shall be the amount of the
24 State sales tax increment and the local sales tax increment
25 (not including credit memoranda) collected during the second
26 preceding calendar month by the Department from retailers and

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

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

23 Section 35. Alternate bonds and general obligation bonds. A
24 political subdivision shall have the power to issue alternate
25 revenue and other general obligation bonds to finance the

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

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

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

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

23 (b) Any land that is outside of, but is contiguous to an
24 established STAR bond district and is subsequently owned,
25 leased, or controlled by the master developer shall be added to

1 a STAR bond district at the request of the master developer and
2 by approval of the political subdivision, provided that the
3 land becomes a part of a STAR bond project area.

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

18 Section 45. Restrictions. No portion of a STAR bond project
19 shall be financed with tax increment financing pursuant to the
20 Tax Increment Allocation Redevelopment Act. During any period
21 of time that STAR bonds are outstanding for a STAR bond
22 district, a developer may not use any land located in the STAR
23 bond district for any (i) retail store whose primary business
24 is the sale of automobiles, including trucks and other
25 automotive vehicles with 4 wheels designed for passenger

1 transportation on public streets and thoroughfares or (ii)
2 stadium or facility for playing National Association of Minor
3 League Baseball or Professional Independent Baseball League
4 games.

5 Section 50. Reporting taxes. Notwithstanding any other
6 provisions of law to the contrary, the Department of Revenue
7 shall provide a certified report of the State sales tax
8 increment and local sales tax increment from all taxpayers
9 within a STAR bond district to the bond trustee, escrow agent,
10 or paying agent for such bonds upon the written request of the
11 political subdivision on or before the 25th day of each month.
12 Such report shall provide a detailed allocation of State sales
13 tax increment and local sales tax increment from each local
14 sales tax and State sales tax reported to the Department of
15 Revenue.

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

1 Section 9 of the Use Tax Act.

2 (b) The political subdivision shall determine when the
3 amount of sales tax and other revenues that have been collected
4 and distributed to the bond debt service or reserve fund is
5 sufficient to satisfy all principal and interest costs to the
6 maturity date or dates of any STAR bond issued by a political
7 subdivision to finance a STAR bond project and shall give the
8 Department of Revenue written notice of such determination. The
9 notice shall include a date certain on which deposits into the
10 STAR Bonds Revenue Fund for that STAR bond project shall
11 terminate and shall be provided to the Department of Revenue at
12 least 60 days prior to that date. Thereafter, all sales tax and
13 other revenues shall be collected and distributed in accordance
14 with applicable law.

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

21 Section 60. Open meetings and freedom of information. All
22 public hearings related to the administration, formation,
23 implementation, development, or construction of a STAR bond
24 district, STAR bond district plan, STAR bond project, or STAR

1 bond project plan, including but not limited to the public
2 hearings required by Sections 15, 20, and 40 of this Act, shall
3 be held in compliance with the Open Meetings Act. The public
4 hearing records, feasibility study, and other documents that do
5 not otherwise meet a confidentiality exemption shall be subject
6 to the Freedom of Information Act.

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

16 (a) To make and enter into all contracts necessary or
17 incidental to the implementation and furtherance of a STAR
18 bond district plan.

19 (b) Within a STAR bond district, to acquire by
20 purchase, donation, or lease, and to own, convey, lease,
21 mortgage, or dispose of land and other real or personal
22 property or rights or interests in property and to grant or
23 acquire licenses, easements, and options with respect to
24 property, all in the manner and at a price the political
25 subdivision determines is reasonably necessary to achieve

1 the objectives of the STAR bond project.

2 (c) To clear any area within a STAR bond district by
3 demolition or removal of any existing buildings,
4 structures, fixtures, utilities, or improvements and to
5 clear and grade land.

6 (d) To install, repair, construct, reconstruct, extend
7 or relocate public streets, public utilities, and other
8 public site improvements located both within and outside
9 the boundaries of a STAR bond district that are essential
10 to the preparation of a STAR bond district for use in
11 accordance with a STAR bond district plan.

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

15 (f) To install or construct any public buildings,
16 structures, works, streets, improvements, utilities, or
17 fixtures within a STAR bond district.

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

19 (h) Subject to the limitations set forth in the
20 definition of "project costs" in Section 10 of this Act, to
21 fix, charge, and collect fees, rents, and charges for the
22 use of any building, facility, or property or any portion
23 of a building, facility, or property owned or leased by the
24 political subdivision in furtherance of a STAR bond project
25 under this Act within a STAR bond district.

26 (i) To accept grants, guarantees, donations of

1 property or labor, or any other thing of value for use in
2 connection with a STAR bond project.

3 (j) To pay or cause to be paid STAR bond project costs,
4 including, specifically, to reimburse any developer or
5 nongovernmental person for STAR bond project costs
6 incurred by that person. A political subdivision is not
7 required to obtain any right, title, or interest in any
8 real or personal property in order to pay STAR bond project
9 costs associated with the property. The political
10 subdivision shall adopt accounting procedures necessary to
11 determine that the STAR bond project costs are properly
12 paid.

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

15 Section 66. The State Finance Act is amended by changing
16 Sections 6z-18 and 6z-20 and by adding Section 5.719 as
17 follows:

18 (30 ILCS 105/5.719 new)

19 Sec. 5.719. The STAR Bonds Revenue Fund.

20 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

21 Sec. 6z-18. A portion of the money paid into the Local
22 Government Tax Fund from sales of food for human consumption
23 which is to be consumed off the premises where it is sold

1 (other than alcoholic beverages, soft drinks and food which has
2 been prepared for immediate consumption) and prescription and
3 nonprescription medicines, drugs, medical appliances and
4 insulin, urine testing materials, syringes and needles used by
5 diabetics, which occurred in municipalities, shall be
6 distributed to each municipality based upon the sales which
7 occurred in that municipality. The remainder shall be
8 distributed to each county based upon the sales which occurred
9 in the unincorporated area of that county.

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

24 A portion of the money paid into the Local Government Tax
25 Fund from the 6.25% general rate (and, beginning July 1, 2000
26 and through December 31, 2000, the 1.25% rate on motor fuel and

1 gasohol) on sales subject to taxation under the Retailers'
2 Occupation Tax Act and the Service Occupation Tax Act, which
3 occurred in municipalities, shall be distributed to each
4 municipality, based upon the sales which occurred in that
5 municipality. The remainder shall be distributed to each
6 county, based upon the sales which occurred in the
7 unincorporated area of such county.

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

17 Whenever the Department determines that a refund of money
18 paid into the Local Government Tax Fund should be made to a
19 claimant instead of issuing a credit memorandum, the Department
20 shall notify the State Comptroller, who shall cause the order
21 to be drawn for the amount specified, and to the person named,
22 in such notification from the Department. Such refund shall be
23 paid by the State Treasurer out of the Local Government Tax
24 Fund.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2010, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer to the STAR Bonds Revenue Fund the
3 State sales tax increment, as defined in the STAR Bonds
4 Financing Act, collected during the second preceding calendar
5 month for sales within a STAR bond district and deposited into
6 the Local Government Tax Fund.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on ~~on~~ 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 named municipalities
11 and counties, the municipalities and counties to be those
12 entitled to distribution of taxes or penalties paid to the
13 Department during the second preceding calendar month. The
14 amount to be paid to each municipality or county shall be the
15 amount (not including credit memoranda) collected during the
16 second preceding calendar month by the Department and paid into
17 the Local Government Tax Fund, plus an amount the Department
18 determines is necessary to offset any amounts which were
19 erroneously paid to a different taxing body, and not including
20 an amount equal to the amount of refunds made during the second
21 preceding calendar month by the Department, and not including
22 any amount which the Department determines is necessary to
23 offset any amounts which are payable to a different taxing body
24 but were erroneously paid to the municipality or county, and
25 not including any amounts that are transferred to the STAR
26 Bonds Revenue Fund. Within 10 days after receipt, by the

1 Comptroller, of the disbursement certification to the
2 municipalities and counties, provided for in this Section to be
3 given to the Comptroller by the Department, the Comptroller
4 shall cause the orders to be drawn for the respective amounts
5 in accordance with the directions contained in such
6 certification.

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

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

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

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

3 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

4 Sec. 6z-20. Of the money received from the 6.25% general
5 rate (and, beginning July 1, 2000 and through December 31,
6 2000, the 1.25% rate on motor fuel and gasohol) on sales
7 subject to taxation under the Retailers' Occupation Tax Act and
8 Service Occupation Tax Act and paid into the County and Mass
9 Transit District Fund, distribution to the Regional
10 Transportation Authority tax fund, created pursuant to Section
11 4.03 of the Regional Transportation Authority Act, for deposit
12 therein shall be made based upon the retail sales occurring in
13 a county having more than 3,000,000 inhabitants. The remainder
14 shall be distributed to each county having 3,000,000 or fewer
15 inhabitants based upon the retail sales occurring in each such
16 county.

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

1 Of the money received from the 6.25% general use tax rate
2 on tangible personal property which is purchased outside
3 Illinois at retail from a retailer and which is titled or
4 registered by any agency of this State's government and paid
5 into the County and Mass Transit District Fund, the amount for
6 which Illinois addresses for titling or registration purposes
7 are given as being in each county having more than 3,000,000
8 inhabitants shall be distributed into the Regional
9 Transportation Authority tax fund, created pursuant to Section
10 4.03 of the Regional Transportation Authority Act. The
11 remainder of the money paid from such sales shall be
12 distributed to each county based on sales for which Illinois
13 addresses for titling or registration purposes are given as
14 being located in the county. Any money paid into the Regional
15 Transportation Authority Occupation and Use Tax Replacement
16 Fund from the County and Mass Transit District Fund prior to
17 January 14, 1991, which has not been paid to the Authority
18 prior to that date, shall be transferred to the Regional
19 Transportation Authority tax fund.

20 Whenever the Department determines that a refund of money
21 paid into the County and Mass Transit District Fund should be
22 made to a claimant instead of issuing a credit memorandum, the
23 Department shall notify the State Comptroller, who shall cause
24 the order to be drawn for the amount specified, and to the
25 person named, in such notification from the Department. Such
26 refund shall be paid by the State Treasurer out of the County

1 and Mass Transit District Fund.

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 State sales tax increment, as defined in the STAR Bonds
7 Financing Act, collected during the second preceding calendar
8 month for sales within a STAR bond district and deposited into
9 the County and Mass Transit District Fund.

10 After the monthly transfer to the STAR Bonds Revenue Fund,
11 on ~~or~~ 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 the Regional
14 Transportation Authority and to named counties, the counties to
15 be those entitled to distribution, as hereinabove provided, of
16 taxes or penalties paid to the Department during the second
17 preceding calendar month. The amount to be paid to the Regional
18 Transportation Authority and each county having 3,000,000 or
19 fewer inhabitants shall be the amount (not including credit
20 memoranda) collected during the second preceding calendar
21 month by the Department and paid into the County and Mass
22 Transit District Fund, plus an amount the Department determines
23 is necessary to offset any amounts which were erroneously paid
24 to a different taxing body, and not including an amount equal
25 to the amount of refunds made during the second preceding
26 calendar month by the Department, and not including any amount

1 which the Department determines is necessary to offset any
2 amounts which were payable to a different taxing body but were
3 erroneously paid to the Regional Transportation Authority or
4 county, and not including any amounts that are transferred to
5 the STAR Bonds Revenue Fund. Within 10 days after receipt, by
6 the Comptroller, of the disbursement certification to the
7 Regional Transportation Authority and counties, provided for
8 in this Section to be given to the Comptroller by the
9 Department, the Comptroller shall cause the orders to be drawn
10 for the respective amounts in accordance with the directions
11 contained in such certification.

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

19 The provisions directing the distributions from the
20 special fund in the State Treasury provided for in this Section
21 and from the Regional Transportation Authority tax fund created
22 by Section 4.03 of the Regional Transportation Authority Act
23 shall constitute an irrevocable and continuing appropriation
24 of all amounts as provided herein. The State Treasurer and
25 State Comptroller are hereby authorized to make distributions
26 as provided in this Section.

1 In construing any development, redevelopment, annexation,
2 preannexation or other lawful agreement in effect prior to
3 September 1, 1990, which describes or refers to receipts from a
4 county or municipal retailers' occupation tax, use tax or
5 service occupation tax which now cannot be imposed, such
6 description or reference shall be deemed to include the
7 replacement revenue for such abolished taxes, distributed from
8 the County and Mass Transit District Fund or Local Government
9 Distributive Fund, as the case may be.

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

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

13 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

14 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
15 Law. Any county that is a home rule unit may impose a tax upon
16 all persons engaged in the business of selling tangible
17 personal property, other than an item of tangible personal
18 property titled or registered with an agency of this State's
19 government, at retail in the county on the gross receipts from
20 such sales made in the course of their business. If imposed,
21 this tax shall only be imposed in 1/4% increments. On and after
22 September 1, 1991, this additional tax may not be imposed on
23 the sales of food for human consumption which is to be consumed
24 off the premises where it is sold (other than alcoholic

1 beverages, soft drinks and food which has been prepared for
2 immediate consumption) and prescription and nonprescription
3 medicines, drugs, medical appliances and insulin, urine
4 testing materials, syringes and needles used by diabetics. The
5 tax imposed by a home rule county pursuant to this Section and
6 all civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The certificate of registration that is issued by the
9 Department to a retailer under the Retailers' Occupation Tax
10 Act shall permit the retailer to engage in a business that is
11 taxable under any ordinance or resolution enacted pursuant to
12 this Section without registering separately with the
13 Department under such ordinance or resolution or under this
14 Section. The Department shall have full power to administer and
15 enforce this Section; to collect all taxes and penalties due
16 hereunder; to dispose of taxes and penalties so collected in
17 the manner hereinafter provided; and to determine all rights to
18 credit memoranda arising on account of the erroneous payment of
19 tax or penalty hereunder. In the administration of, and
20 compliance with, this Section, the Department and persons who
21 are subject to this Section shall have the same rights,
22 remedies, privileges, immunities, powers and duties, and be
23 subject to the same conditions, restrictions, limitations,
24 penalties and definitions of terms, and employ the same modes
25 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
26 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all

1 provisions therein other than the State rate of tax), 4, 5, 5a,
2 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
3 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
4 Section 3-7 of the Uniform Penalty and Interest Act, as fully
5 as if those provisions were set forth herein.

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

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

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the order to be drawn for the
20 amount specified and to the person named in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the home rule county retailers' occupation tax
23 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 retailers have paid taxes or
13 penalties hereunder to the Department during the second
14 preceding calendar month. The amount to be paid to each county
15 shall be the amount (not including credit memoranda) collected
16 hereunder during the second preceding calendar month by the
17 Department plus an amount the Department determines is
18 necessary to offset any amounts that were erroneously paid to a
19 different taxing body, and not including an amount equal to the
20 amount of refunds made during the second preceding calendar
21 month by the Department on behalf of such county, and not
22 including any amount which the Department determines is
23 necessary to offset any amounts which were payable to a
24 different taxing body but were erroneously paid to the county,
25 and not including any amounts that are transferred to the STAR
26 Bonds Revenue Fund. Within 10 days after receipt, by the

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

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

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

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

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

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

1 Beginning April 1, 1998, an ordinance or resolution imposing or
2 discontinuing the tax hereunder or effecting a change in the
3 rate 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 shall proceed to administer and
6 enforce this Section as of the first day of July next following
7 the adoption and filing; or (ii) be adopted and a certified
8 copy thereof filed with the Department on or before the first
9 day of October, whereupon the Department shall proceed to
10 administer and enforce this Section as of the first day of
11 January next following the adoption and filing.

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

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

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

21 (55 ILCS 5/5-1006.5)

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

24 (a) The county board of any county may impose a tax upon
25 all persons engaged in the business of selling tangible

1 personal property, other than personal property titled or
2 registered with an agency of this State's government, at retail
3 in the county on the gross receipts from the sales made in the
4 course of business to provide revenue to be used exclusively
5 for public safety, public facility, or transportation purposes
6 in that county, if a proposition for the tax has been submitted
7 to the electors of that county and approved by a majority of
8 those voting on the question. If imposed, this tax shall be
9 imposed only in one-quarter percent increments. By resolution,
10 the county board may order the proposition to be submitted at
11 any election. If the tax is imposed for transportation purposes
12 for expenditures for public highways or as authorized under the
13 Illinois Highway Code, the county board must publish notice of
14 the existence of its long-range highway transportation plan as
15 required or described in Section 5-301 of the Illinois Highway
16 Code and must make the plan publicly available prior to
17 approval of the ordinance or resolution imposing the tax. If
18 the tax is imposed for transportation purposes for expenditures
19 for passenger rail transportation, the county board must
20 publish notice of the existence of its long-range passenger
21 rail transportation plan and must make the plan publicly
22 available prior to approval of the ordinance or resolution
23 imposing the tax. The county clerk shall certify the question
24 to the proper election authority, who shall submit the
25 proposition at an election in accordance with the general
26 election law.

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

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

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

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

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

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

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

23 "This would mean that a consumer would pay an
24 additional (insert amount) in sales tax for every \$100 of
25 tangible personal property bought at retail. If imposed,
26 the additional tax would cease being collected at the end

1 of (insert number of years), if not terminated earlier by a
2 vote of the county board."

3 For the purposes of the paragraph, "public safety
4 purposes" means crime prevention, detention, fire
5 fighting, police, medical, ambulance, or other emergency
6 services.

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

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

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

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."

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

25 "To pay for road improvements and other transportation
26 purposes, shall (name of county) be authorized to impose an

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

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

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

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

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

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

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

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

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

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

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

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

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

19 For purposes of this Section, "public facilities
20 purposes" means the acquisition, development,
21 construction, reconstruction, rehabilitation, improvement,
22 financing, architectural planning, and installation of
23 capital facilities consisting of buildings, structures,
24 and durable equipment and for the acquisition and
25 improvement of real property and interest in real property
26 required, or expected to be required, in connection with

1 the public facilities, for use by the county for the
2 furnishing of governmental services to its citizens,
3 including but not limited to museums and nursing homes.

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

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

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

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

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

26 Whenever the Department determines that a refund should be

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

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

1 of the erroneous payment of tax or penalty hereunder. In the
2 administration of, and compliance with this subsection, the
3 Department and persons who are subject to this paragraph 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, exclusions, exemptions,
7 and definitions of terms, and (iii) employ the same modes of
8 procedure as are prescribed in Sections 2 (except that the
9 reference to State in the definition of supplier maintaining a
10 place of business in this State shall mean the county), 2a, 2b,
11 2c, 3 through 3-50 (in respect to all provisions therein other
12 than the State rate of tax), 4 (except that the reference to
13 the State shall be to the county), 5, 7, 8 (except that the
14 jurisdiction to which the tax shall be a debt to the extent
15 indicated in that Section 8 shall be the county), 9 (except as
16 to the disposition of taxes and penalties collected), 10, 11,
17 12 (except the reference therein to Section 2b of the
18 Retailers' Occupation Tax Act), 13 (except that any reference
19 to the State shall mean the county), Section 15, 16, 17, 18, 19
20 and 20 of the Service Occupation Tax Act and Section 3-7 of the
21 Uniform Penalty and Interest Act, as fully as if those
22 provisions were set forth herein.

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

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

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

13 Nothing in this subsection shall be construed to authorize
14 the county 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 the State.

17 (c) 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 County
20 Public Safety or Transportation Retailers' Occupation Tax
21 Fund, which shall be an unappropriated trust fund held outside
22 of the State treasury.

23 As soon as possible after the first day of each month,
24 beginning January 1, 2010, upon certification of the Department
25 of Revenue, the Comptroller shall order transferred, and the
26 Treasurer shall transfer, to the STAR Bonds Revenue Fund the

1 local sales tax increment, as defined in the STAR Bonds
2 Financing Act, collected under this Section during the second
3 preceding calendar month for sales within a STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on ~~On~~ or before the 25th day of each calendar month, the
6 Department shall prepare and certify to the Comptroller the
7 disbursement of stated sums of money to the counties from which
8 retailers have paid taxes or penalties to the Department during
9 the second preceding calendar month. The amount to be paid to
10 each county, and deposited by the county into its special fund
11 created for the purposes of this Section, shall be the amount
12 (not including credit memoranda) collected under this Section
13 during the second preceding calendar month by the Department
14 plus an amount the Department determines is necessary to offset
15 any amounts that were erroneously paid to a different taxing
16 body, and not including (i) an amount equal to the amount of
17 refunds made during the second preceding calendar month by the
18 Department on behalf of the county, ~~and~~ (ii) any amount that
19 the Department determines is necessary to offset any amounts
20 that were payable to a different taxing body but were
21 erroneously paid to the county, and (iii) any amounts that are
22 transferred to the STAR Bonds Revenue Fund. Within 10 days
23 after receipt by the Comptroller of the disbursement
24 certification to the counties 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 In addition to the disbursement required by the preceding
3 paragraph, an allocation shall be made in March of each year to
4 each county that received more than \$500,000 in disbursements
5 under the preceding paragraph in the preceding calendar year.
6 The allocation shall be in an amount equal to the average
7 monthly distribution made to each such county under the
8 preceding paragraph during the preceding calendar year
9 (excluding the 2 months of highest receipts). The distribution
10 made in March of each year subsequent to the year in which an
11 allocation was made pursuant to this paragraph and the
12 preceding paragraph shall be reduced by the amount allocated
13 and disbursed under this paragraph in the preceding calendar
14 year. The Department shall prepare and certify to the
15 Comptroller for disbursement the allocations made in
16 accordance with this paragraph.

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

26 (e) Nothing in this Section shall be construed to authorize

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

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

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

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

1 months from the time a miscalculation is discovered.

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

5 (i) For purposes of this Section, "public safety" includes,
6 but is not limited to, crime prevention, detention, fire
7 fighting, police, medical, ambulance, or other emergency
8 services. For the purposes of this Section, "transportation"
9 includes, but is not limited to, the construction, maintenance,
10 operation, and improvement of public highways, any other
11 purpose for which a county may expend funds under the Illinois
12 Highway Code, and passenger rail transportation. For the
13 purposes of this Section, "public facilities purposes"
14 includes, but is not limited to, the acquisition, development,
15 construction, reconstruction, rehabilitation, improvement,
16 financing, architectural planning, and installation of capital
17 facilities consisting of buildings, structures, and durable
18 equipment and for the acquisition and improvement of real
19 property and interest in real property required, or expected to
20 be required, in connection with the public facilities, for use
21 by the county for the furnishing of governmental services to
22 its citizens, including but not limited to museums and nursing
23 homes.

24 (j) The Department may promulgate rules to implement this
25 amendatory Act of the 95th General Assembly only to the extent
26 necessary to apply the existing rules for the Special County

1 Retailers' Occupation Tax for Public Safety to this new purpose
2 for public facilities.

3 (Source: P.A. 94-781, eff. 5-19-06; 95-474, eff. 1-1-08;
4 95-1002, eff. 11-20-08.)

5 (55 ILCS 5/5-1006.7)

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

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

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

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

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

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

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

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

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

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

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

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

26 Persons subject to any tax imposed under the authority

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

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

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

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

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

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

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

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

11 As soon as possible after the first day of each month,
12 beginning January 1, 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 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to the regional
22 superintendents of schools in counties from which retailers or
23 servicemen have paid taxes or penalties to the Department
24 during the second preceding calendar month. The amount to be
25 paid to each regional superintendent of schools and disbursed
26 to him or her in accordance with 3-14.31 of the School Code, is

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

8 As soon as possible after the first day of each month,
9 beginning January 1, 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 ~~on~~ or before the 25th day of each calendar month, the
17 Department shall prepare and certify to the Comptroller the
18 disbursement of stated sums of money to named counties, the
19 counties to be those from which suppliers and servicemen have
20 paid taxes or penalties hereunder to the Department during the
21 second preceding calendar month. The amount to be paid to each
22 county shall be the amount (not including credit memoranda)
23 collected hereunder during the second preceding calendar month
24 by the Department, and not including an amount equal to the
25 amount of refunds made during the second preceding calendar
26 month by the Department on behalf of such county, and not

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

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

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

26 An ordinance or resolution imposing or discontinuing a tax

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Whenever the Department determines that a refund should be

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

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

11 As soon as possible after the first day of each month,
12 beginning January 1, 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 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on ~~or~~ or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to named municipalities,
22 the municipalities to be those from which retailers have paid
23 taxes or penalties hereunder to the Department during the
24 second preceding calendar month. The amount to be paid to each
25 municipality shall be the amount (not including credit
26 memoranda) collected hereunder during the second preceding

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

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

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

26 For the purpose of determining the local governmental unit

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

15 As soon as possible after the first day of each month,
16 beginning January 1, 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 ~~on~~ or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to named municipalities,
26 the municipalities to be those from which retailers have paid

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Nothing in this Section shall be construed to authorize a

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

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

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

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

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

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

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

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

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

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

1 bracket schedules as the Department may prescribe.

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

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

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

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

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

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

1 interstate or foreign commerce.

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

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

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

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

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

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

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

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

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

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

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

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

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

25 As soon as possible after the first day of each month,
26 beginning January 1, 2010, upon certification of the Department

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

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

26 When certifying the amount of a monthly disbursement to a

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

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

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

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

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

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

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

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

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

26 Whenever the Department determines that a refund should be

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 Rule Municipal Service Occupation Tax Act.

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

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

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

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

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

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

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

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

26 Persons subject to any tax imposed under this subsection

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

26 Whenever the Department determines that a refund should be

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

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

12 As soon as possible after the first day of each month,
13 beginning January 1, 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 suppliers and servicemen
26 have paid taxes or penalties under this subsection to the

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 item (3).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 required in subsection (g).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 and notes are no longer outstanding.

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

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

5 (70 ILCS 750/25)

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

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

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

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

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

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

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

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

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

1 penalty hereunder.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4 (70 ILCS 1605/30)

5 Sec. 30. Taxes.

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

13 This additional tax may not be imposed on the sales of food
14 for human consumption that is to be consumed off the premises
15 where it is sold (other than alcoholic beverages, soft drinks,
16 and food which has been prepared for immediate consumption) and
17 prescription and non-prescription medicines, drugs, medical
18 appliances, and insulin, urine testing materials, syringes,
19 and needles used by diabetics. The tax imposed by the Board
20 under this Section and all civil penalties that may be assessed
21 as an incident of the tax shall be collected and enforced by
22 the Department of Revenue. The certificate of registration that
23 is issued by the Department to a retailer under the Retailers'
24 Occupation Tax Act shall permit the retailer to engage in a

1 business that is taxable without registering separately with
2 the Department under an ordinance or resolution under this
3 Section. The Department has full power to administer and
4 enforce this Section, to collect all taxes and penalties due
5 under this Section, to dispose of taxes and penalties so
6 collected in the manner provided in this Section, and to
7 determine all rights to credit memoranda arising on account of
8 the erroneous payment of a tax or penalty under this Section.
9 In the administration of and compliance with this Section, the
10 Department and persons who are subject to this Section shall
11 (i) have the same rights, remedies, privileges, immunities,
12 powers, and duties, (ii) be subject to the same conditions,
13 restrictions, limitations, penalties, and definitions of
14 terms, and (iii) employ the same modes of procedure as are
15 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
16 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
17 in those Sections other than the State rate of tax), 2-15
18 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
19 transaction returns and quarter monthly payments), 4, 5, 5a,
20 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
21 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
22 and the Uniform Penalty and Interest Act as if those provisions
23 were set forth in this Section.

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

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

5 Whenever the Department determines that a refund should be
6 made under this Section to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order to be drawn for the
9 amount specified and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the State Metro-East Park and Recreation
12 District Fund.

13 (b) If a tax has been imposed under subsection (a), a
14 service occupation tax shall also be imposed at the same rate
15 upon all persons engaged, in the District, in the business of
16 making sales of service, who, as an incident to making those
17 sales of service, transfer tangible personal property within
18 the District as an incident to a sale of service. This tax may
19 not be imposed on sales of food for human consumption that is
20 to be consumed off the premises where it is sold (other than
21 alcoholic beverages, soft drinks, and food prepared for
22 immediate consumption) and prescription and non-prescription
23 medicines, drugs, medical appliances, and insulin, urine
24 testing materials, syringes, and needles used by diabetics. The
25 tax imposed under this subsection and all civil penalties that
26 may be assessed as an incident thereof shall be collected and

1 enforced by the Department of Revenue. The Department has full
2 power to administer and enforce this subsection; to collect all
3 taxes and penalties due hereunder; to dispose of taxes and
4 penalties so collected in the manner hereinafter provided; and
5 to determine all rights to credit memoranda arising on account
6 of the erroneous payment of tax or penalty hereunder. In the
7 administration of, and compliance with this subsection, the
8 Department and persons who are subject to this paragraph shall
9 (i) have the same rights, remedies, privileges, immunities,
10 powers, and duties, (ii) be subject to the same conditions,
11 restrictions, limitations, penalties, exclusions, exemptions,
12 and definitions of terms, and (iii) employ the same modes of
13 procedure as are prescribed in Sections 2 (except that the
14 reference to State in the definition of supplier maintaining a
15 place of business in this State shall mean the District), 2a,
16 2b, 2c, 3 through 3-50 (in respect to all provisions therein
17 other than the State rate of tax), 4 (except that the reference
18 to the State shall be to the District), 5, 7, 8 (except that
19 the jurisdiction to which the tax shall be a debt to the extent
20 indicated in that Section 8 shall be the District), 9 (except
21 as to the disposition of taxes and penalties collected), 10,
22 11, 12 (except the reference therein to Section 2b of the
23 Retailers' Occupation Tax Act), 13 (except that any reference
24 to the State shall mean the District), Sections 15, 16, 17, 18,
25 19 and 20 of the Service Occupation Tax Act and the Uniform
26 Penalty and Interest Act, as fully as if those provisions were

1 set forth herein.

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

10 Whenever the Department determines that a refund should be
11 made under this subsection to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant to be drawn for the
14 amount specified, and to the person named, in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of the State Metro-East Park and Recreation
17 District Fund.

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

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

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

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on ~~on~~ or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money pursuant to Section 35 of
16 this Act to the District from which retailers have paid taxes
17 or penalties to the Department during the second preceding
18 calendar month. The amount to be paid to the District shall be
19 the amount (not including credit memoranda) collected under
20 this Section during the second preceding calendar month by the
21 Department plus an amount the Department determines is
22 necessary to offset any amounts that were erroneously paid to a
23 different taxing body, and not including (i) an amount equal to
24 the amount of refunds made during the second preceding calendar
25 month by the Department on behalf of the District, ~~and~~ (ii) any
26 amount that the Department determines is necessary to offset

1 any amounts that were payable to a different taxing body but
2 were erroneously paid to the District, and (iii) any amounts
3 that are transferred to the STAR Bonds Revenue Fund. Within 10
4 days after receipt by the Comptroller of the disbursement
5 certification to the District provided for in this Section to
6 be given to the Comptroller by the Department, the Comptroller
7 shall cause the orders to be drawn for the respective amounts
8 in accordance with directions contained in the certification.

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

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

22 (f) An ordinance imposing a tax under this Section or an
23 ordinance extending the imposition of a tax to an additional
24 county or counties shall be certified by the board and filed
25 with the Department of Revenue either (i) on or before the
26 first day of April, whereupon the Department shall proceed to

1 administer and enforce the tax as of the first day of July next
2 following the filing; or (ii) on or before the first day of
3 October, whereupon the Department shall proceed to administer
4 and enforce the tax as of the first day of January next
5 following the filing.

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

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

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

15 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

16 Sec. 5.01. Metro East Mass Transit District; use and
17 occupation taxes.

18 (a) The Board of Trustees of any Metro East Mass Transit
19 District may, by ordinance adopted with the concurrence of
20 two-thirds of the then trustees, impose throughout the District
21 any or all of the taxes and fees provided in this Section. All
22 taxes and fees imposed under this Section shall be used only
23 for public mass transportation systems, and the amount used to
24 provide mass transit service to unserved areas of the District

1 shall be in the same proportion to the total proceeds as the
2 number of persons residing in the unserved areas is to the
3 total population of the District. Except as otherwise provided
4 in this Act, taxes imposed under this Section and civil
5 penalties imposed incident thereto shall be collected and
6 enforced by the State Department of Revenue. The Department
7 shall have the power to administer and enforce the taxes and to
8 determine all rights for refunds for erroneous payments of the
9 taxes.

10 (b) The Board may impose a Metro East Mass Transit District
11 Retailers' Occupation Tax upon all persons engaged in the
12 business of selling tangible personal property at retail in the
13 district at a rate of 1/4 of 1%, or as authorized under
14 subsection (d-5) of this Section, of the gross receipts from
15 the sales made in the course of such business within the
16 district. The tax imposed under this Section and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 Section; to collect all taxes and penalties so collected in the
21 manner hereinafter provided; and to determine all rights to
22 credit memoranda arising on account of the erroneous payment of
23 tax or penalty hereunder. In the administration of, and
24 compliance with, this Section, the Department and persons who
25 are subject to this Section shall have the same rights,
26 remedies, privileges, immunities, powers and duties, and be

1 subject to the same conditions, restrictions, limitations,
2 penalties, exclusions, exemptions and definitions of terms and
3 employ the same modes of procedure, as are prescribed in
4 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
5 (in respect to all provisions therein other than the State rate
6 of tax), 2c, 3 (except as to the disposition of taxes and
7 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
8 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the
9 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
10 Penalty and Interest Act, as fully as if those provisions were
11 set forth herein.

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

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

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

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

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

16 Nothing in this Section shall be construed to authorize the
17 Metro East Mass Transit District to impose a tax upon the
18 privilege of engaging in any business which under the
19 Constitution of the United States may not be made the subject
20 of taxation by this State.

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

1 personal property or in the form of real estate as an incident
2 to a sale of service. The tax rate shall be 1/4%, or as
3 authorized under subsection (d-5) of this Section, of the
4 selling price of tangible personal property so transferred
5 within the district. The tax imposed under this paragraph and
6 all civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this paragraph; to collect all taxes and penalties due
10 hereunder; to dispose of taxes and penalties so collected in
11 the manner hereinafter provided; and to determine all rights to
12 credit memoranda arising on account of the erroneous payment of
13 tax or penalty hereunder. In the administration of, and
14 compliance with this paragraph, the Department and persons who
15 are subject to this paragraph shall have the same rights,
16 remedies, privileges, immunities, powers and duties, and be
17 subject to the same conditions, restrictions, limitations,
18 penalties, exclusions, exemptions and definitions of terms and
19 employ the same modes of procedure as are prescribed in
20 Sections 1a-1, 2 (except that the reference to State in the
21 definition of supplier maintaining a place of business in this
22 State shall mean the Authority), 2a, 3 through 3-50 (in respect
23 to all provisions therein other than the State rate of tax), 4
24 (except that the reference to the State shall be to the
25 Authority), 5, 7, 8 (except that the jurisdiction to which the
26 tax shall be a debt to the extent indicated in that Section 8

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

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

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

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

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

1 The Department shall have full power to administer and
2 enforce this paragraph; to collect all taxes, penalties and
3 interest due hereunder; to dispose of taxes, penalties and
4 interest so collected in the manner hereinafter provided; and
5 to determine all rights to credit memoranda or refunds arising
6 on account of the erroneous payment of tax, penalty or interest
7 hereunder. In the administration of, and compliance with, this
8 paragraph, the Department and persons who are subject to this
9 paragraph shall have the same rights, remedies, privileges,
10 immunities, powers and duties, and be subject to the same
11 conditions, restrictions, limitations, penalties, exclusions,
12 exemptions and definitions of terms and employ the same modes
13 of procedure, as are prescribed in Sections 2 (except the
14 definition of "retailer maintaining a place of business in this
15 State"), 3 through 3-80 (except provisions pertaining to the
16 State rate of tax, and except provisions concerning collection
17 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
18 19 (except the portions pertaining to claims by retailers and
19 except the last paragraph concerning refunds), 20, 21 and 22 of
20 the Use Tax Act and Section 3-7 of the Uniform Penalty and
21 Interest Act, that are not inconsistent with this paragraph, as
22 fully as if those provisions were set forth herein.

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

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Metro East Mass Transit District tax fund
4 established under paragraph (h) ~~(g)~~ of this Section.

5 (d-5) (A) The county board of any county participating in
6 the Metro East Mass Transit District may authorize, by
7 ordinance, a referendum on the question of whether the tax
8 rates for the Metro East Mass Transit District Retailers'
9 Occupation Tax, the Metro East Mass Transit District Service
10 Occupation Tax, and the Metro East Mass Transit District Use
11 Tax for the District should be increased from 0.25% to 0.75%.
12 Upon adopting the ordinance, the county board shall certify the
13 proposition to the proper election officials who shall submit
14 the proposition to the voters of the District at the next
15 election, in accordance with the general election law.

16 The proposition shall be in substantially the following
17 form:

18 Shall the tax rates for the Metro East Mass Transit
19 District Retailers' Occupation Tax, the Metro East Mass
20 Transit District Service Occupation Tax, and the Metro East
21 Mass Transit District Use Tax be increased from 0.25% to
22 0.75%?

23 (B) Two thousand five hundred electors of any Metro East
24 Mass Transit District may petition the Chief Judge of the
25 Circuit Court, or any judge of that Circuit designated by the
26 Chief Judge, in which that District is located to cause to be

1 submitted to a vote of the electors the question whether the
2 tax rates for the Metro East Mass Transit District Retailers'
3 Occupation Tax, the Metro East Mass Transit District Service
4 Occupation Tax, and the Metro East Mass Transit District Use
5 Tax for the District should be increased from 0.25% to 0.75%.

6 Upon submission of such petition the court shall set a date
7 not less than 10 nor more than 30 days thereafter for a hearing
8 on the sufficiency thereof. Notice of the filing of such
9 petition and of such date shall be given in writing to the
10 District and the County Clerk at least 7 days before the date
11 of such hearing.

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

15 The form of the petition shall be in substantially the
16 following form: To the Circuit Court of the County of (name of
17 county):

18 We, the undersigned electors of the (name of transit
19 district), respectfully petition your honor to submit to a
20 vote of the electors of (name of transit district) the
21 following proposition:

22 Shall the tax rates for the Metro East Mass Transit
23 District Retailers' Occupation Tax, the Metro East Mass
24 Transit District Service Occupation Tax, and the Metro East
25 Mass Transit District Use Tax be increased from 0.25% to
26 0.75%?

1 Name Address, with Street and Number.
2
3

4 (C) The votes shall be recorded as "YES" or "NO". If a
5 majority of all votes cast on the proposition are for the
6 increase in the tax rates, the Metro East Mass Transit District
7 shall begin imposing the increased rates in the District, and
8 the Department of Revenue shall begin collecting the increased
9 amounts, as provided under this Section. An ordinance imposing
10 or discontinuing a tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of
13 October, whereupon the Department shall proceed to administer
14 and enforce this Section as of the first day of January next
15 following the adoption and filing, or on or before the first
16 day of April, whereupon the Department shall proceed to
17 administer and enforce this Section as of the first day of July
18 next following the adoption and filing.

19 (D) If the voters have approved a referendum under this
20 subsection, before November 1, 1994, to increase the tax rate
21 under this subsection, the Metro East Mass Transit District
22 Board of Trustees may adopt by a majority vote an ordinance at
23 any time before January 1, 1995 that excludes from the rate
24 increase tangible personal property that is titled or
25 registered with an agency of this State's government. The
26 ordinance excluding titled or registered tangible personal

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

1 government. The ordinance excluding titled or registered
2 tangible personal property from the rate increase shall be
3 adopted, and a certified copy of that ordinance shall be filed
4 with the Department on or before October 1, whereupon the
5 Department shall administer and enforce this exclusion from the
6 rate increase as of the following January 1, or on or before
7 April 1, whereupon the Department shall administer and enforce
8 this exclusion from the rate increase as of the following July
9 1. The Board of Trustees of any Metro East Mass Transit
10 District may never reimpose a previously excluded tax rate
11 increase on tangible personal property titled or registered
12 with an agency of this State's government.

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

1 imposed or collected under this subsection on the sale of a
2 motor vehicle in this State to a resident of another state if
3 that motor vehicle will not be titled in this State.

4 (d-7) Until June 30, 2004, if a fee has been imposed under
5 subsection (d-6), a fee shall also be imposed upon the
6 privilege of using, in the district, any item of tangible
7 personal property that is titled or registered with any agency
8 of this State's government, in an amount equal to the amount of
9 the fee imposed under subsection (d-6).

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

26 (d-8) No item of titled property shall be subject to both

1 the higher rate approved by referendum, as authorized under
2 subsection (d-5), and any fee imposed under subsection (d-6) or
3 (d-7).

4 (d-9) (Blank).

5 (d-10) (Blank).

6 (e) A certificate of registration issued by the State
7 Department of Revenue to a retailer under the Retailers'
8 Occupation Tax Act or under the Service Occupation Tax Act
9 shall permit the registrant to engage in a business that is
10 taxed under the tax imposed under paragraphs (b), (c) or (d) of
11 this Section and no additional registration shall be required
12 under the tax. A certificate issued under the Use Tax Act or
13 the Service Use Tax Act shall be applicable with regard to any
14 tax imposed under paragraph (c) of this Section.

15 (f) (Blank).

16 (g) Any ordinance imposing or discontinuing any tax under
17 this Section shall be adopted and a certified copy thereof
18 filed with the Department on or before June 1, whereupon the
19 Department of Revenue shall proceed to administer and enforce
20 this Section on behalf of the Metro East Mass Transit District
21 as of September 1 next following such adoption and filing.
22 Beginning January 1, 1992, an ordinance or resolution imposing
23 or discontinuing the tax hereunder shall be adopted and a
24 certified copy thereof filed with the Department on or before
25 the first day of July, whereupon the Department shall proceed
26 to administer and enforce this Section as of the first day of

1 October next following such adoption and filing. Beginning
2 January 1, 1993, except as provided in subsection (d-5) of this
3 Section, an ordinance or resolution imposing or discontinuing
4 the tax hereunder shall be adopted and a certified copy thereof
5 filed with the Department on or before the first day of
6 October, whereupon the Department shall proceed to administer
7 and enforce this Section as of the first day of January next
8 following such adoption and filing, or, beginning January 1,
9 2004, on or before the first day of April, whereupon the
10 Department shall proceed to administer and enforce this Section
11 as of the first day of July next following the adoption and
12 filing.

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

18 As soon as possible after the first day of each month,
19 beginning January 1, 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 The Department shall make this certification only if the local
26 mass transit district imposes a tax on real property as

1 provided in the definition of "local sales taxes" under the
2 STAR Bonds Financing Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on ~~On~~ or before the 25th day of each calendar month, the State
5 Department of Revenue shall prepare and certify to the
6 Comptroller of the State of Illinois the amount to be paid to
7 the District, which shall be the then balance in the fund, less
8 any amount determined by the Department to be necessary for the
9 payment of refunds, and less any amounts that are transferred
10 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
11 the Comptroller of the certification of the amount to be paid
12 to the District, the Comptroller shall cause an order to be
13 drawn for payment for the amount in accordance with the
14 direction in the certification.

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

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

19 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

20 Sec. 4.03. Taxes.

21 (a) In order to carry out any of the powers or purposes of
22 the Authority, the Board may by ordinance adopted with the
23 concurrence of 12 of the then Directors, impose throughout the
24 metropolitan region any or all of the taxes provided in this

1 Section. Except as otherwise provided in this Act, taxes
2 imposed under this Section and civil penalties imposed incident
3 thereto shall be collected and enforced by the State Department
4 of Revenue. The Department shall have the power to administer
5 and enforce the taxes and to determine all rights for refunds
6 for erroneous payments of the taxes. Nothing in this amendatory
7 Act of the 95th General Assembly is intended to invalidate any
8 taxes currently imposed by the Authority. The increased vote
9 requirements to impose a tax shall only apply to actions taken
10 after the effective date of this amendatory Act of the 95th
11 General Assembly.

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

1 Act to any municipality shall refer to the Authority and the
2 tax shall be imposed only with regard to receipts from sales of
3 motor fuel in the metropolitan region, at rates as limited by
4 this Section.

5 (c) In connection with the tax imposed under paragraph (b)
6 of this Section the Board may impose a tax upon the privilege
7 of using in the metropolitan region motor fuel for the
8 operation of a motor vehicle upon public highways, the tax to
9 be at a rate not in excess of the rate of tax imposed under
10 paragraph (b) of this Section. The Board may provide for
11 details of the tax.

12 (d) The Board may impose a motor vehicle parking tax upon
13 the privilege of parking motor vehicles at off-street parking
14 facilities in the metropolitan region at which a fee is
15 charged, and may provide for reasonable classifications in and
16 exemptions to the tax, for administration and enforcement
17 thereof and for civil penalties and refunds thereunder and may
18 provide criminal penalties thereunder, the maximum penalties
19 not to exceed the maximum criminal penalties provided in the
20 Retailers' Occupation Tax Act. The Authority may collect and
21 enforce the tax itself or by contract with any unit of local
22 government. The State Department of Revenue shall have no
23 responsibility for the collection and enforcement unless the
24 Department agrees with the Authority to undertake the
25 collection and enforcement. As used in this paragraph, the term
26 "parking facility" means a parking area or structure having

1 parking spaces for more than 2 vehicles at which motor vehicles
2 are permitted to park in return for an hourly, daily, or other
3 periodic fee, whether publicly or privately owned, but does not
4 include parking spaces on a public street, the use of which is
5 regulated by parking meters.

6 (e) The Board may impose a Regional Transportation
7 Authority Retailers' Occupation Tax upon all persons engaged in
8 the business of selling tangible personal property at retail in
9 the metropolitan region. In Cook County the tax rate shall be
10 1.25% of the gross receipts from sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks and food that
13 has been prepared for immediate consumption) and prescription
14 and nonprescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes and needles used by
16 diabetics, and 1% of the gross receipts from other taxable
17 sales made in the course of that business. In DuPage, Kane,
18 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
19 of the gross receipts from all taxable sales made in the course
20 of that business. The tax imposed under this Section and all
21 civil penalties that may be assessed as an incident thereof
22 shall be collected and enforced by the State Department of
23 Revenue. The Department shall have full power to administer and
24 enforce this Section; to collect all taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

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

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

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

1 amount specified, and to the person named, in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

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

7 For the purpose of determining whether a tax authorized
8 under this Section is applicable, a retail sale by a producer
9 of coal or other mineral mined in Illinois, is a sale at retail
10 at the place where the coal or other mineral mined in Illinois
11 is extracted from the earth. This paragraph does not apply to
12 coal or other mineral when it is delivered or shipped by the
13 seller to the purchaser at a point outside Illinois so that the
14 sale is exempt under the Federal Constitution as a sale in
15 interstate or foreign commerce.

16 No tax shall be imposed or collected under this subsection
17 on the sale of a motor vehicle in this State to a resident of
18 another state if that motor vehicle will not be titled in this
19 State.

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

25 (f) If a tax has been imposed under paragraph (e), a
26 Regional Transportation Authority Service Occupation Tax shall

1 also be imposed upon all persons engaged, in the metropolitan
2 region in the business of making sales of service, who as an
3 incident to making the sales of service, transfer tangible
4 personal property within the metropolitan region, either in the
5 form of tangible personal property or in the form of real
6 estate as an incident to a sale of service. In Cook County, the
7 tax rate shall be: (1) 1.25% of the serviceman's cost price of
8 food prepared for immediate consumption and transferred
9 incident to a sale of service subject to the service occupation
10 tax by an entity licensed under the Hospital Licensing Act or
11 the Nursing Home Care Act that is located in the metropolitan
12 region; (2) 1.25% of the selling price of food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, soft drinks and food that
15 has been prepared for immediate consumption) and prescription
16 and nonprescription medicines, drugs, medical appliances and
17 insulin, urine testing materials, syringes and needles used by
18 diabetics; and (3) 1% of the selling price from other taxable
19 sales of tangible personal property transferred. In DuPage,
20 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
21 of the selling price of all tangible personal property
22 transferred.

23 The tax imposed under this paragraph and all civil
24 penalties that may be assessed as an incident thereof shall be
25 collected and enforced by the State Department of Revenue. The
26 Department shall have full power to administer and enforce this

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

26 Persons subject to any tax imposed under the authority

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

7 Whenever the Department determines that a refund should be
8 made under this paragraph to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the warrant to be drawn for the
11 amount specified, and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the Regional Transportation Authority tax fund
14 established under paragraph (n) of this Section.

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

19 (g) If a tax has been imposed under paragraph (e), a tax
20 shall also be imposed upon the privilege of using in the
21 metropolitan region, any item of tangible personal property
22 that is purchased outside the metropolitan region at retail
23 from a retailer, and that is titled or registered with an
24 agency of this State's government. In Cook County the tax rate
25 shall be 1% of the selling price of the tangible personal
26 property, as "selling price" is defined in the Use Tax Act. In

1 DuPage, Kane, Lake, McHenry and Will counties the tax rate
2 shall be 0.75% of the selling price of the tangible personal
3 property, as "selling price" is defined in the Use Tax Act. The
4 tax shall be collected from persons whose Illinois address for
5 titling or registration purposes is given as being in the
6 metropolitan region. The tax shall be collected by the
7 Department of Revenue for the Regional Transportation
8 Authority. The tax must be paid to the State, or an exemption
9 determination must be obtained from the Department of Revenue,
10 before the title or certificate of registration for the
11 property may be issued. The tax or proof of exemption may be
12 transmitted to the Department by way of the State agency with
13 which, or the State officer with whom, the tangible personal
14 property must be titled or registered if the Department and the
15 State agency or State officer determine that this procedure
16 will expedite the processing of applications for title or
17 registration.

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

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

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

21 (h) The Authority may impose a replacement vehicle tax of
22 \$50 on any passenger car as defined in Section 1-157 of the
23 Illinois Vehicle Code purchased within the metropolitan region
24 by or on behalf of an insurance company to replace a passenger
25 car of an insured person in settlement of a total loss claim.
26 The tax imposed may not become effective before the first day

1 of the month following the passage of the ordinance imposing
2 the tax and receipt of a certified copy of the ordinance by the
3 Department of Revenue. The Department of Revenue shall collect
4 the tax for the Authority in accordance with Sections 3-2002
5 and 3-2003 of the Illinois Vehicle Code.

6 The Department shall immediately pay over to the State
7 Treasurer, ex officio, as trustee, all taxes collected
8 hereunder.

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

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

25 Within 10 days after receipt by the Comptroller of the
26 disbursement certification to the Authority provided for in

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

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

7 (j) A certificate of registration issued by the State
8 Department of Revenue to a retailer under the Retailers'
9 Occupation Tax Act or under the Service Occupation Tax Act
10 shall permit the registrant to engage in a business that is
11 taxed under the tax imposed under paragraphs (b), (e), (f) or
12 (g) of this Section and no additional registration shall be
13 required under the tax. A certificate issued under the Use Tax
14 Act or the Service Use Tax Act shall be applicable with regard
15 to any tax imposed under paragraph (c) of this Section.

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

25 (l) The Board in imposing any tax as provided in paragraphs
26 (b) and (c) of this Section, shall, after seeking the advice of

1 the State Department of Revenue, provide means for retailers,
2 users or purchasers of motor fuel for purposes other than those
3 with regard to which the taxes may be imposed as provided in
4 those paragraphs to receive refunds of taxes improperly paid,
5 which provisions may be at variance with the refund provisions
6 as applicable under the Municipal Retailers Occupation Tax Act.
7 The State Department of Revenue may provide for certificates of
8 registration for users or purchasers of motor fuel for purposes
9 other than those with regard to which taxes may be imposed as
10 provided in paragraphs (b) and (c) of this Section to
11 facilitate the reporting and nontaxability of the exempt sales
12 or uses.

13 (m) Any ordinance imposing or discontinuing any tax under
14 this Section shall be adopted and a certified copy thereof
15 filed with the Department on or before June 1, whereupon the
16 Department of Revenue shall proceed to administer and enforce
17 this Section on behalf of the Regional Transportation Authority
18 as of September 1 next following such adoption and filing.
19 Beginning January 1, 1992, an ordinance or resolution imposing
20 or discontinuing the tax hereunder shall be adopted and a
21 certified copy thereof filed with the Department on or before
22 the first day of July, whereupon the Department shall proceed
23 to administer and enforce this Section as of the first day of
24 October next following such adoption and filing. Beginning
25 January 1, 1993, an ordinance or resolution imposing,
26 increasing, decreasing, or discontinuing the tax hereunder

1 shall be adopted and a certified copy thereof filed with the
2 Department, whereupon the Department shall proceed to
3 administer and enforce this Section as of the first day of the
4 first month to occur not less than 60 days following such
5 adoption and filing. Any ordinance or resolution of the
6 Authority imposing a tax under this Section and in effect on
7 August 1, 2007 shall remain in full force and effect and shall
8 be administered by the Department of Revenue under the terms
9 and conditions and rates of tax established by such ordinance
10 or resolution until the Department begins administering and
11 enforcing an increased tax under this Section as authorized by
12 this amendatory Act of the 95th General Assembly. The tax rates
13 authorized by this amendatory Act of the 95th General Assembly
14 are effective only if imposed by ordinance of the Authority.

15 (n) The State Department of Revenue shall, upon collecting
16 any taxes as provided in this Section, pay the taxes over to
17 the State Treasurer as trustee for the Authority. The taxes
18 shall be held in a trust fund outside the State Treasury. On or
19 before the 25th day of each calendar month, the State
20 Department of Revenue shall prepare and certify to the
21 Comptroller of the State of Illinois and to the Authority (i)
22 the amount of taxes collected in each County other than Cook
23 County in the metropolitan region, (ii) the amount of taxes
24 collected within the City of Chicago, and (iii) the amount
25 collected in that portion of Cook County outside of Chicago,
26 each amount less the amount necessary for the payment of

1 refunds to taxpayers located in those areas described in items
2 (i), (ii), and (iii). Within 10 days after receipt by the
3 Comptroller of the certification of the amounts, the
4 Comptroller shall cause an order to be drawn for the payment of
5 two-thirds of the amounts certified in item (i) of this
6 subsection to the Authority and one-third of the amounts
7 certified in item (i) of this subsection to the respective
8 counties other than Cook County and the amount certified in
9 items (ii) and (iii) of this subsection to the Authority.

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

25 (o) Failure to adopt a budget ordinance or otherwise to
26 comply with Section 4.01 of this Act or to adopt a Five-year

1 Capital Program or otherwise to comply with paragraph (b) of
2 Section 2.01 of this Act shall not affect the validity of any
3 tax imposed by the Authority otherwise in conformity with law.

4 (p) At no time shall a public transportation tax or motor
5 vehicle parking tax authorized under paragraphs (b), (c) and
6 (d) of this Section be in effect at the same time as any
7 retailers' occupation, use or service occupation tax
8 authorized under paragraphs (e), (f) and (g) of this Section is
9 in effect.

10 Any taxes imposed under the authority provided in
11 paragraphs (b), (c) and (d) shall remain in effect only until
12 the time as any tax authorized by paragraphs (e), (f) or (g) of
13 this Section are imposed and becomes effective. Once any tax
14 authorized by paragraphs (e), (f) or (g) is imposed the Board
15 may not reimpose taxes as authorized in paragraphs (b), (c) and
16 (d) of the Section unless any tax authorized by paragraphs (e),
17 (f) or (g) of this Section becomes ineffective by means other
18 than an ordinance of the Board.

19 (q) Any existing rights, remedies and obligations
20 (including enforcement by the Regional Transportation
21 Authority) arising under any tax imposed under paragraphs (b),
22 (c) or (d) of this Section shall not be affected by the
23 imposition of a tax under paragraphs (e), (f) or (g) of this
24 Section.

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

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

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

4 Sec. 4. (a) The board of commissioners of any county water
5 commission may, by ordinance, impose throughout the territory
6 of the commission any or all of the taxes provided in this
7 Section for its corporate purposes. However, no county water
8 commission may impose any such tax unless the commission
9 certifies the proposition of imposing the tax to the proper
10 election officials, who shall submit the proposition to the
11 voters residing in the territory at an election in accordance
12 with the general election law, and the proposition has been
13 approved by a majority of those voting on the proposition.

14 The proposition shall be in the form provided in Section 5
15 or shall be substantially in the following form:

16 -----

17	Shall the (insert corporate	
18	name of county water commission)	YES
19	impose (state type of tax or	-----
20	taxes to be imposed) at the	NO
21	rate of 1/4%?	

22 -----

23 Taxes imposed under this Section and civil penalties
24 imposed incident thereto shall be collected and enforced by the
25 State Department of Revenue. The Department shall have the

1 power to administer and enforce the taxes and to determine all
2 rights for refunds for erroneous payments of the taxes.

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

1 it is sold (other than alcoholic beverages, soft drinks, and
2 food that has been prepared for immediate consumption) and
3 prescription and nonprescription medicine, drugs, medical
4 appliances and insulin, urine testing materials, syringes, and
5 needles used by diabetics, for human use, shall not be subject
6 to tax hereunder), 2c, 3 (except as to the disposition of taxes
7 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,
8 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the
9 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
10 Penalty and Interest Act, as fully as if those provisions were
11 set forth herein.

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

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

1 Treasurer out of a county water commission tax fund established
2 under paragraph (g) of this Section.

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

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

14 No tax shall be imposed or collected under this subsection
15 on the sale of a motor vehicle in this State to a resident of
16 another state if that motor vehicle will not be titled in this
17 State.

18 Nothing in this paragraph shall be construed to authorize a
19 county water commission to impose a tax upon the privilege of
20 engaging in any business which under the Constitution of the
21 United States may not be made the subject of taxation by this
22 State.

23 (c) If a tax has been imposed under subsection (b), a
24 County Water Commission Service Occupation Tax shall also be
25 imposed upon all persons engaged, in the territory of the
26 commission, in the business of making sales of service, who, as

1 an incident to making the sales of service, transfer tangible
2 personal property within the territory. The tax rate shall be
3 1/4% of the selling price of tangible personal property so
4 transferred within the territory. The tax imposed under this
5 paragraph and all civil penalties that may be assessed as an
6 incident thereof shall be collected and enforced by the State
7 Department of Revenue. The Department shall have full power to
8 administer and enforce this paragraph; to collect all taxes and
9 penalties due hereunder; to dispose of taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder. In the
13 administration of, and compliance with, this paragraph, the
14 Department and persons who are subject to this paragraph shall
15 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions
18 and definitions of terms, and employ the same modes of
19 procedure, as are prescribed in Sections 1a-1, 2 (except that
20 the reference to State in the definition of supplier
21 maintaining a place of business in this State shall mean the
22 territory of the commission), 2a, 3 through 3-50 (in respect to
23 all provisions therein other than the State rate of tax except
24 that food for human consumption that is to be consumed off the
25 premises where it is sold (other than alcoholic beverages, soft
26 drinks, and food that has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,
2 drugs, medical appliances and insulin, urine testing
3 materials, syringes, and needles used by diabetics, for human
4 use, shall not be subject to tax hereunder), 4 (except that the
5 reference to the State shall be to the territory of the
6 commission), 5, 7, 8 (except that the jurisdiction to which the
7 tax shall be a debt to the extent indicated in that Section 8
8 shall be the commission), 9 (except as to the disposition of
9 taxes and penalties collected and except that the returned
10 merchandise credit for this tax may not be taken against any
11 State tax), 10, 11, 12 (except the reference therein to Section
12 2b of the Retailers' Occupation Tax Act), 13 (except that any
13 reference to the State shall mean the territory of the
14 commission), the first paragraph of Section 15, 15.5, 16, 17,
15 18, 19 and 20 of the Service Occupation Tax Act as fully as if
16 those provisions were set forth herein.

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

1 Whenever the Department determines that a refund should be
2 made under this paragraph to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the warrant to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of a county water commission tax fund established
8 under paragraph (g) of this Section.

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

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

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

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

1 it is sold (other than alcoholic beverages, soft drinks, and
2 food that has been prepared for immediate consumption) and
3 prescription and nonprescription medicines, drugs, medical
4 appliances and insulin, urine testing materials, syringes, and
5 needles used by diabetics, for human use, shall not be subject
6 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
7 portions pertaining to claims by retailers and except the last
8 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
9 and Section 3-7 of the Uniform Penalty and Interest Act that
10 are not inconsistent with this paragraph, as fully as if those
11 provisions were set forth herein.

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 order 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 a county water commission tax fund established
19 under paragraph (g) of this Section.

20 (e) A certificate of registration issued by the State
21 Department of Revenue to a retailer under the Retailers'
22 Occupation Tax Act or under the Service Occupation Tax Act
23 shall permit the registrant to engage in a business that is
24 taxed under the tax imposed under paragraphs (b), (c) or (d) of
25 this Section and no additional registration shall be required
26 under the tax. A certificate issued under the Use Tax Act or

1 the Service Use Tax Act shall be applicable with regard to any
2 tax imposed under paragraph (c) of this Section.

3 (f) Any ordinance imposing or discontinuing any tax under
4 this Section shall be adopted and a certified copy thereof
5 filed with the Department on or before June 1, whereupon the
6 Department of Revenue shall proceed to administer and enforce
7 this Section on behalf of the county water commission as of
8 September 1 next following the adoption and filing. Beginning
9 January 1, 1992, an ordinance or resolution imposing or
10 discontinuing the tax hereunder shall be adopted and a
11 certified copy thereof filed with the Department on or before
12 the first day of July, whereupon the Department shall proceed
13 to administer and enforce this Section as of the first day of
14 October next following such adoption and filing. Beginning
15 January 1, 1993, an ordinance or resolution imposing or
16 discontinuing the tax hereunder shall be adopted and a
17 certified copy thereof filed with the Department on or before
18 the first day of October, whereupon the Department shall
19 proceed to administer and enforce this Section as of the first
20 day of January next following such adoption and filing.

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

25 As soon as possible after the first day of each month,
26 beginning January 1, 2010, upon certification of the Department

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

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on ~~on~~ or before the 25th day of each calendar month, the State
8 Department of Revenue shall prepare and certify to the
9 Comptroller of the State of Illinois the amount to be paid to
10 the commission, which shall be the then balance in the fund,
11 less any amount determined by the Department to be necessary
12 for the payment of refunds, and less any amounts that are
13 transferred to the STAR Bonds Revenue Fund. Within 10 days
14 after receipt by the Comptroller of the certification of the
15 amount to be paid to the commission, the Comptroller shall
16 cause an order to be drawn for the payment for the amount in
17 accordance with the direction in the certification.

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

19 Section 999. Effective date. This Act takes effect upon
20 becoming law."