



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3919

Introduced 1/10/2012, by Rep. Adam Brown

SYNOPSIS AS INTRODUCED:

New Act

35 ILCS 5/222 new

35 ILCS 10/5-27 new

35 ILCS 105/3-10

35 ILCS 105/9

35 ILCS 110/3-10

35 ILCS 110/9

35 ILCS 115/3-10

35 ILCS 115/9

35 ILCS 120/2-10

35 ILCS 120/3

from Ch. 120, par. 439.9

from Ch. 120, par. 439.33-10

from Ch. 120, par. 439.39

from Ch. 120, par. 439.103-10

from Ch. 120, par. 439.109

from Ch. 120, par. 442

Creates the Employ Illinois Job Renewal Act. Requires the Department of Commerce and Economic Opportunity to develop application procedures to certify certain areas in the State as Job Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones. Requires the Department to certify all Job Renewal Zones by July 1, 2013 and provides that all zones expire on June 30, 2024. Requires the Department to report to the General Assembly and Governor no later than January 1, 2023 concerning the program. Effective immediately.

LRB097 15495 HLH 60609 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the Employ
5 Illinois Job Renewal Act.

6 Section 5. Definitions. As used in this Act:

7 "Department" means the Department of Commerce and Economic
8 Opportunity.

9 "Local government entity" means a county or a municipality.

10 Section 10. Qualifications for Job Renewal Zones. A local
11 government entity is qualified to become a Job Renewal Zone if:

12 (1) it has no more than 200,000 residents according to
13 the latest data available from the U.S. Census Bureau; and

14 (2) it has experienced an average unemployment rate
15 over the last 5 years that is higher than the average
16 unemployment rate of at least 75% of all Illinois local
17 government entities during that same period of time.

18 Section 15. Certification of Job Renewal Zones by the
19 Department.

20 (a) The Department must develop an application for Job
21 Renewal Zone certification, contact local government entities

1 that may qualify as Job Renewal Zones under Section 10, and
2 inform those entities of their potential qualification. In
3 determining those local government entities to be certified, in
4 addition to characteristics mentioned in subsection (b), the
5 Department must certify an equal amount of zones in the various
6 regions of the State. The Department shall designate Job
7 Renewal Zones in a manner that maximizes their effect equally
8 in regions of the State. The Department may not designate more
9 than 10 Job Renewal Zones in the State.

10 (b) In considering applications for Job Renewal Zone
11 certification, the Department must consider all of the
12 following factors:

13 (1) The degree to which the applicant local government
14 entity has experienced population decline, equalized
15 assessed property value decline, or stagnant growth at
16 greater levels than other local government entities that
17 are eligible for Job Renewal Zone certification.

18 (2) The poverty of residents of the local government
19 entity applicant relative to other local government
20 entities that are eligible for Job Renewal Zone
21 certification.

22 (3) The degree to which school districts within the
23 jurisdiction of the local government entity applying for
24 certification have experienced decline or stagnation in
25 student enrollment having detrimental effects on the
26 schools' State education funding at levels greater than

1 other local government entities that are eligible for
2 certification.

3 (4) Whether the applicant local government entity has
4 developed a strategic development plan that will guide the
5 redevelopment of its community or county in a manner that
6 benefits all residents of the applicant local government
7 entity.

8 (5) Any other relevant factors determined by the
9 Department.

10 Section 20. Taxes on businesses in Job Renewal Zones.

11 (a) All businesses located in a Job Renewal Zone, in
12 addition to any other benefits and incentives that may be
13 offered at the discretion of the Department or the local
14 government entity creating the Job Renewal Zone as is provided
15 under the Enterprise Zone Act, shall qualify, upon
16 certification by the Department, for:

17 (1) a credit against the taxes imposed under
18 subsections (a) and (b) of Section 201 of the Illinois
19 Income Tax Act; and

20 (2) a reduced 1.25% rate of tax under the Use Tax Act,
21 the Service Use Tax Act, the Service Occupation Tax Act,
22 and the Retailers' Occupation Tax Act.

23 (b) Any business located in a Job Renewal Zone from which
24 the Department has determined at least 51% of its products or
25 services are exported outside of the State shall automatically

1 qualify for EDGE job creation assistance, as provided under the
2 Economic Development for a Growing Economy Tax Credit Act.

3 Section 30. Deadline for zone certification; expiration.

4 (a) The Department must set a deadline for its receipt of
5 applications for all zone certifications. The Department must
6 certify all Job Renewal Zones by July 1, 2013.

7 (b) All Job Renewal Zones expire on June 30, 2024.

8 Section 35. Report required; extension of program.

9 (a) By January 1, 2023, the Department must prepare a
10 report to the Governor and the General Assembly detailing the
11 effects of the Job Renewal program on the local government
12 entities. The report must include, without limitation,
13 information concerning:

14 (1) employment growth and unemployment decline;

15 (2) population change;

16 (3) changes in poverty rates;

17 (4) changes in per capita income of the residents of
18 the zone;

19 (5) changes in the equalized assessed value of property
20 within the zone;

21 (6) changes in the cost of providing services to zone
22 residents borne by the local government entity where the
23 zone is located;

24 (7) changes in revenues collected by the local

1 government entity in which the zone is located; and

2 (8) changes in the cost of housing in the zone.

3 (b) If the General Assembly extends the expiration date of
4 this program, the Department shall consider the progress of
5 economic development of each zone then designated and
6 surrounding areas when deciding whether the current 10 Job
7 Renewal Zones will be re-extended.

8 Section 60. The Illinois Income Tax Act is amended by
9 adding Section 222 as follows:

10 (35 ILCS 5/222 new)

11 Sec. 222. Credit for businesses located in a Job Renewal
12 Zone. Businesses located in a Job Renewal Zone are entitled to
13 a credit against the taxes imposed under subsections (a) and
14 (b) of Section 201 of this Act, as provided in Section 20 of
15 the Employ Illinois Job Renewal Act, in an amount determined by
16 the Department of Commerce and Economic Opportunity.

17 Section 65. The Economic Development for a Growing Economy
18 Tax Credit Act is amended by adding Section 5-27 as follows:

19 (35 ILCS 10/5-27 new)

20 Sec. 5-27. Job Renewal Zones. This Act is subject to the
21 provisions of the Employ Illinois Job Renewal Act.

1 Section 70. The Use Tax Act is amended by changing Sections
2 3-10 and 9 as follows:

3 (35 ILCS 105/3-10)

4 Sec. 3-10. Rate of tax. Unless otherwise provided in this
5 Section, the tax imposed by this Act is at the rate of 6.25% of
6 either the selling price or the fair market value, if any, of
7 the tangible personal property. In all cases where property
8 functionally used or consumed is the same as the property that
9 was purchased at retail, then the tax is imposed on the selling
10 price of the property. In all cases where property functionally
11 used or consumed is a by-product or waste product that has been
12 refined, manufactured, or produced from property purchased at
13 retail, then the tax is imposed on the lower of the fair market
14 value, if any, of the specific property so used in this State
15 or on the selling price of the property purchased at retail.
16 For purposes of this Section "fair market value" means the
17 price at which property would change hands between a willing
18 buyer and a willing seller, neither being under any compulsion
19 to buy or sell and both having reasonable knowledge of the
20 relevant facts. The fair market value shall be established by
21 Illinois sales by the taxpayer of the same property as that
22 functionally used or consumed, or if there are no such sales by
23 the taxpayer, then comparable sales or purchases of property of
24 like kind and character in Illinois.

25 Beginning on July 1, 2000 and through December 31, 2000,

1 with respect to motor fuel, as defined in Section 1.1 of the
2 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
3 the Use Tax Act, the tax is imposed at the rate of 1.25%.

4 Beginning on August 6, 2010 through August 15, 2010, with
5 respect to sales tax holiday items as defined in Section 3-6 of
6 this Act, the tax is imposed at the rate of 1.25%.

7 Beginning on the effective date of this amendatory Act of
8 the 97th General Assembly, with respect to items purchased from
9 a business located in a Job Renewal Zone established under the
10 Employ Illinois Job Renewal Act, other than items that qualify
11 for a 1% rate of tax under this Section, the tax is imposed at
12 the rate of 1.25%.

13 With respect to gasohol, the tax imposed by this Act
14 applies to (i) 70% of the proceeds of sales made on or after
15 January 1, 1990, and before July 1, 2003, (ii) 80% of the
16 proceeds of sales made on or after July 1, 2003 and on or
17 before December 31, 2013, and (iii) 100% of the proceeds of
18 sales made thereafter. If, at any time, however, the tax under
19 this Act on sales of gasohol is imposed at the rate of 1.25%,
20 then the tax imposed by this Act applies to 100% of the
21 proceeds of sales of gasohol made during that time.

22 With respect to majority blended ethanol fuel, the tax
23 imposed by this Act does not apply to the proceeds of sales
24 made on or after July 1, 2003 and on or before December 31,
25 2013 but applies to 100% of the proceeds of sales made
26 thereafter.

1 With respect to biodiesel blends with no less than 1% and
2 no more than 10% biodiesel, the tax imposed by this Act applies
3 to (i) 80% of the proceeds of sales made on or after July 1,
4 2003 and on or before December 31, 2013 and (ii) 100% of the
5 proceeds of sales made thereafter. If, at any time, however,
6 the tax under this Act on sales of biodiesel blends with no
7 less than 1% and no more than 10% biodiesel is imposed at the
8 rate of 1.25%, then the tax imposed by this Act applies to 100%
9 of the proceeds of sales of biodiesel blends with no less than
10 1% and no more than 10% biodiesel made during that time.

11 With respect to 100% biodiesel and biodiesel blends with
12 more than 10% but no more than 99% biodiesel, the tax imposed
13 by this Act does not apply to the proceeds of sales made on or
14 after July 1, 2003 and on or before December 31, 2013 but
15 applies to 100% of the proceeds of sales made thereafter.

16 With respect to food for human consumption that is to be
17 consumed off the premises where it is sold (other than
18 alcoholic beverages, soft drinks, and food that has been
19 prepared for immediate consumption) and prescription and
20 nonprescription medicines, drugs, medical appliances,
21 modifications to a motor vehicle for the purpose of rendering
22 it usable by a disabled person, and insulin, urine testing
23 materials, syringes, and needles used by diabetics, for human
24 use, the tax is imposed at the rate of 1%. For the purposes of
25 this Section, until September 1, 2009: the term "soft drinks"
26 means any complete, finished, ready-to-use, non-alcoholic

1 drink, whether carbonated or not, including but not limited to
2 soda water, cola, fruit juice, vegetable juice, carbonated
3 water, and all other preparations commonly known as soft drinks
4 of whatever kind or description that are contained in any
5 closed or sealed bottle, can, carton, or container, regardless
6 of size; but "soft drinks" does not include coffee, tea,
7 non-carbonated water, infant formula, milk or milk products as
8 defined in the Grade A Pasteurized Milk and Milk Products Act,
9 or drinks containing 50% or more natural fruit or vegetable
10 juice.

11 Notwithstanding any other provisions of this Act,
12 beginning September 1, 2009, "soft drinks" means non-alcoholic
13 beverages that contain natural or artificial sweeteners. "Soft
14 drinks" do not include beverages that contain milk or milk
15 products, soy, rice or similar milk substitutes, or greater
16 than 50% of vegetable or fruit juice by volume.

17 Until August 1, 2009, and notwithstanding any other
18 provisions of this Act, "food for human consumption that is to
19 be consumed off the premises where it is sold" includes all
20 food sold through a vending machine, except soft drinks and
21 food products that are dispensed hot from a vending machine,
22 regardless of the location of the vending machine. Beginning
23 August 1, 2009, and notwithstanding any other provisions of
24 this Act, "food for human consumption that is to be consumed
25 off the premises where it is sold" includes all food sold
26 through a vending machine, except soft drinks, candy, and food

1 products that are dispensed hot from a vending machine,
2 regardless of the location of the vending machine.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "food for human consumption that
5 is to be consumed off the premises where it is sold" does not
6 include candy. For purposes of this Section, "candy" means a
7 preparation of sugar, honey, or other natural or artificial
8 sweeteners in combination with chocolate, fruits, nuts or other
9 ingredients or flavorings in the form of bars, drops, or
10 pieces. "Candy" does not include any preparation that contains
11 flour or requires refrigeration.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "nonprescription medicines and
14 drugs" does not include grooming and hygiene products. For
15 purposes of this Section, "grooming and hygiene products"
16 includes, but is not limited to, soaps and cleaning solutions,
17 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
18 lotions and screens, unless those products are available by
19 prescription only, regardless of whether the products meet the
20 definition of "over-the-counter-drugs". For the purposes of
21 this paragraph, "over-the-counter-drug" means a drug for human
22 use that contains a label that identifies the product as a drug
23 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
24 label includes:

25 (A) A "Drug Facts" panel; or

26 (B) A statement of the "active ingredient(s)" with a

1 list of those ingredients contained in the compound,
2 substance or preparation.

3 If the property that is purchased at retail from a retailer
4 is acquired outside Illinois and used outside Illinois before
5 being brought to Illinois for use here and is taxable under
6 this Act, the "selling price" on which the tax is computed
7 shall be reduced by an amount that represents a reasonable
8 allowance for depreciation for the period of prior out-of-state
9 use.

10 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
11 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10.)

12 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

13 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
14 and trailers that are required to be registered with an agency
15 of this State, each retailer required or authorized to collect
16 the tax imposed by this Act shall pay to the Department the
17 amount of such tax (except as otherwise provided) at the time
18 when he is required to file his return for the period during
19 which such tax was collected, less a discount of 2.1% prior to
20 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
21 per calendar year, whichever is greater, which is allowed to
22 reimburse the retailer for expenses incurred in collecting the
23 tax, keeping records, preparing and filing returns, remitting
24 the tax and supplying data to the Department on request. In the
25 case of retailers who report and pay the tax on a transaction

1 by transaction basis, as provided in this Section, such
2 discount shall be taken with each such tax remittance instead
3 of when such retailer files his periodic return. A retailer
4 need not remit that part of any tax collected by him to the
5 extent that he is required to remit and does remit the tax
6 imposed by the Retailers' Occupation Tax Act, with respect to
7 the sale of the same property.

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

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

23 The Department may require returns to be filed on a
24 quarterly basis. If so required, a return for each calendar
25 quarter shall be filed on or before the twentieth day of the
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each
2 of the first two months of each calendar quarter, on or before
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

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

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

13 4. The amount of credit provided in Section 2d of this
14 Act;

15 5. The amount of tax due;

16 5-5. The signature of the taxpayer; and

17 6. Such other reasonable information as the Department
18 may require.

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

23 Beginning October 1, 1993, a taxpayer who has an average
24 monthly tax liability of \$150,000 or more shall make all
25 payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1994, a taxpayer who has

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

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

1 Any taxpayer not required to make payments by electronic
2 funds transfer may make payments by electronic funds transfer
3 with the permission of the Department.

4 All taxpayers required to make payment by electronic funds
5 transfer and any taxpayers authorized to voluntarily make
6 payments by electronic funds transfer shall make those payments
7 in the manner authorized by the Department.

8 The Department shall adopt such rules as are necessary to
9 effectuate a program of electronic funds transfer and the
10 requirements of this Section.

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

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

1 such tax liability is incurred begins on or after January 1,
2 1989, and prior to January 1, 1996, each payment shall be in an
3 amount equal to 22.5% of the taxpayer's actual liability for
4 the month or 25% of the taxpayer's liability for the same
5 calendar month of the preceding year or 100% of the taxpayer's
6 actual liability for the quarter monthly reporting period. The
7 amount of such quarter monthly payments shall be credited
8 against the final tax liability of the taxpayer's return for
9 that month. Before October 1, 2000, once applicable, the
10 requirement of the making of quarter monthly payments to the
11 Department shall continue until such taxpayer's average
12 monthly liability to the Department during the preceding 4
13 complete calendar quarters (excluding the month of highest
14 liability and the month of lowest liability) is less than
15 \$9,000, or until such taxpayer's average monthly liability to
16 the Department as computed for each calendar quarter of the 4
17 preceding complete calendar quarter period is less than
18 \$10,000. However, if a taxpayer can show the Department that a
19 substantial change in the taxpayer's business has occurred
20 which causes the taxpayer to anticipate that his average
21 monthly tax liability for the reasonably foreseeable future
22 will fall below the \$10,000 threshold stated above, then such
23 taxpayer may petition the Department for change in such
24 taxpayer's reporting status. On and after October 1, 2000, once
25 applicable, the requirement of the making of quarter monthly
26 payments to the Department shall continue until such taxpayer's

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

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

1 liable for penalties and interest on such difference.

2 If the retailer is otherwise required to file a monthly
3 return and if the retailer's average monthly tax liability to
4 the Department does not exceed \$200, the Department may
5 authorize his returns to be filed on a quarter annual basis,
6 with the return for January, February, and March of a given
7 year being due by April 20 of such year; with the return for
8 April, May and June of a given year being due by July 20 of such
9 year; with the return for July, August and September of a given
10 year being due by October 20 of such year, and with the return
11 for October, November and December of a given year being due by
12 January 20 of the following year.

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

19 Such quarter annual and annual returns, as to form and
20 substance, shall be subject to the same requirements as monthly
21 returns.

22 Notwithstanding any other provision in this Act concerning
23 the time within which a retailer may file his return, in the
24 case of any retailer who ceases to engage in a kind of business
25 which makes him responsible for filing returns under this Act,
26 such retailer shall file a final return under this Act with the

1 Department not more than one month after discontinuing such
2 business.

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

26 The transaction reporting return in the case of motor

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

21 The transaction reporting return in the case of watercraft
22 and aircraft must show the name and address of the seller; the
23 name and address of the purchaser; the amount of the selling
24 price including the amount allowed by the retailer for
25 traded-in property, if any; the amount allowed by the retailer
26 for the traded-in tangible personal property, if any, to the

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

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

23 With each such transaction reporting return, the retailer
24 shall remit the proper amount of tax due (or shall submit
25 satisfactory evidence that the sale is not taxable if that is
26 the case), to the Department or its agents, whereupon the

1 Department shall issue, in the purchaser's name, a tax receipt
2 (or a certificate of exemption if the Department is satisfied
3 that the particular sale is tax exempt) which such purchaser
4 may submit to the agency with which, or State officer with
5 whom, he must title or register the tangible personal property
6 that is involved (if titling or registration is required) in
7 support of such purchaser's application for an Illinois
8 certificate or other evidence of title or registration to such
9 tangible personal property.

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

18 If the user who would otherwise pay tax to the retailer
19 wants the transaction reporting return filed and the payment of
20 tax or proof of exemption made to the Department before the
21 retailer is willing to take these actions and such user has not
22 paid the tax to the retailer, such user may certify to the fact
23 of such delay by the retailer, and may (upon the Department
24 being satisfied of the truth of such certification) transmit
25 the information required by the transaction reporting return
26 and the remittance for tax or proof of exemption directly to

1 the Department and obtain his tax receipt or exemption
2 determination, in which event the transaction reporting return
3 and tax remittance (if a tax payment was required) shall be
4 credited by the Department to the proper retailer's account
5 with the Department, but without the 2.1% or 1.75% discount
6 provided for in this Section being allowed. When the user pays
7 the tax directly to the Department, he shall pay the tax in the
8 same amount and in the same form in which it would be remitted
9 if the tax had been remitted to the Department by the retailer.

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

26 Any retailer filing a return under this Section shall also

1 include (for the purpose of paying tax thereon) the total tax
2 covered by such return upon the selling price of tangible
3 personal property purchased by him at retail from a retailer,
4 but as to which the tax imposed by this Act was not collected
5 from the retailer filing such return, and such retailer shall
6 remit the amount of such tax to the Department when filing such
7 return.

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

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

19 Beginning January 1, 1990, each month the Department shall
20 pay into the State and Local Sales Tax Reform Fund, a special
21 fund in the State Treasury which is hereby created, the net
22 revenue realized for the preceding month from the 1% tax on
23 sales of food for human consumption which is to be consumed off
24 the premises where it is sold (other than alcoholic beverages,
25 soft drinks and food which has been prepared for immediate
26 consumption) and prescription and nonprescription medicines,

1 drugs, medical appliances and insulin, urine testing
2 materials, syringes and needles used by diabetics.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the County and Mass Transit District Fund 4% of the
5 net revenue realized for the preceding month from the 6.25%
6 general rate on the selling price of tangible personal property
7 which is purchased outside Illinois at retail from a retailer
8 and which is titled or registered by an agency of this State's
9 government.

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

18 Beginning August 1, 2000, each month the Department shall
19 pay into the State and Local Sales Tax Reform Fund 100% of the
20 net revenue realized for the preceding month from the 1.25%
21 rate on the selling price of motor fuel and gasohol. Beginning
22 September 1, 2010, each month the Department shall pay into the
23 State and Local Sales Tax Reform Fund 100% of the net revenue
24 realized for the preceding month from the 1.25% rate on the
25 selling price of sales tax holiday items.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund 16% of the net revenue
2 realized for the preceding month from the 6.25% general rate on
3 the selling price of tangible personal property which is
4 purchased outside Illinois at retail from a retailer and which
5 is titled or registered by an agency of this State's
6 government.

7 Beginning on the first day of the first month to occur not
8 less than 30 days after the effective date of this amendatory
9 Act of the 97th General Assembly, the Department shall pay into
10 the State and Local Sales Tax Reform Fund 100% of the net
11 revenue realized for the preceding month from the 1.25% rate on
12 items purchased from a business located in a Job Renewal Zone.

13 Beginning October 1, 2009, each month the Department shall
14 pay into the Capital Projects Fund an amount that is equal to
15 an amount estimated by the Department to represent 80% of the
16 net revenue realized for the preceding month from the sale of
17 candy, grooming and hygiene products, and soft drinks that had
18 been taxed at a rate of 1% prior to September 1, 2009 but that
19 is now taxed at 6.25%.

20 Beginning July 1, 2011, each month the Department shall pay
21 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
22 realized for the preceding month from the 6.25% general rate on
23 the selling price of sorbents used in Illinois in the process
24 of sorbent injection as used to comply with the Environmental
25 Protection Act or the federal Clean Air Act, but the total
26 payment into the Clean Air Act (CAA) Permit Fund under this Act

1 and the Retailers' Occupation Tax Act shall not exceed
2 \$2,000,000 in any fiscal year.

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

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

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

16 Subject to payment of amounts into the Build Illinois Fund
17 as provided in the preceding paragraph or in any amendment
18 thereto hereafter enacted, the following specified monthly
19 installment of the amount requested in the certificate of the
20 Chairman of the Metropolitan Pier and Exposition Authority
21 provided under Section 8.25f of the State Finance Act, but not
22 in excess of the sums designated as "Total Deposit", shall be
23 deposited in the aggregate from collections under Section 9 of
24 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
25 9 of the Service Occupation Tax Act, and Section 3 of the
26 Retailers' Occupation Tax Act into the McCormick Place

1 Expansion Project Fund in the specified fiscal years.

2	Fiscal Year	Total Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000
26	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	246,000,000
6	2022	260,000,000
7	2023	275,000,000
8	2024	275,000,000
9	2025	275,000,000
10	2026	279,000,000
11	2027	292,000,000
12	2028	307,000,000
13	2029	322,000,000
14	2030	338,000,000
15	2031	350,000,000
16	2032	350,000,000

17 and

18 each fiscal year

19 thereafter that bonds

20 are outstanding under

21 Section 13.2 of the

22 Metropolitan Pier and

23 Exposition Authority Act,

24 but not after fiscal year 2060.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the

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

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

20 Subject to payment of amounts into the Build Illinois Fund
21 and the McCormick Place Expansion Project Fund pursuant to the
22 preceding paragraphs or in any amendments thereto hereafter
23 enacted, beginning with the receipt of the first report of
24 taxes paid by an eligible business and continuing for a 25-year
25 period, the Department shall each month pay into the Energy
26 Infrastructure Fund 80% of the net revenue realized from the

1 6.25% general rate on the selling price of Illinois-mined coal
2 that was sold to an eligible business. For purposes of this
3 paragraph, the term "eligible business" means a new electric
4 generating facility certified pursuant to Section 605-332 of
5 the Department of Commerce and Economic Opportunity Law of the
6 Civil Administrative Code of Illinois.

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

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

20 Net revenue realized for a month shall be the revenue
21 collected by the State pursuant to this Act, less the amount
22 paid out during that month as refunds to taxpayers for
23 overpayment of liability.

24 For greater simplicity of administration, manufacturers,
25 importers and wholesalers whose products are sold at retail in
26 Illinois by numerous retailers, and who wish to do so, may

1 assume the responsibility for accounting and paying to the
2 Department all tax accruing under this Act with respect to such
3 sales, if the retailers who are affected do not make written
4 objection to the Department to this arrangement.

5 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
6 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
7 97-333, eff. 8-12-11.)

8 Section 75. The Service Use Tax Act is amended by changing
9 Sections 3-10 and 9 as follows:

10 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

11 Sec. 3-10. Rate of tax. Unless otherwise provided in this
12 Section, the tax imposed by this Act is at the rate of 6.25% of
13 the selling price of tangible personal property transferred as
14 an incident to the sale of service, but, for the purpose of
15 computing this tax, in no event shall the selling price be less
16 than the cost price of the property to the serviceman.

17 Beginning on July 1, 2000 and through December 31, 2000,
18 with respect to motor fuel, as defined in Section 1.1 of the
19 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
20 the Use Tax Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, as defined in the Use Tax Act, the
22 tax imposed by this Act applies to (i) 70% of the selling price
23 of property transferred as an incident to the sale of service
24 on or after January 1, 1990, and before July 1, 2003, (ii) 80%

1 of the selling price of property transferred as an incident to
2 the sale of service on or after July 1, 2003 and on or before
3 December 31, 2013, and (iii) 100% of the selling price
4 thereafter. If, at any time, however, the tax under this Act on
5 sales of gasohol, as defined in the Use Tax Act, is imposed at
6 the rate of 1.25%, then the tax imposed by this Act applies to
7 100% of the proceeds of sales of gasohol made during that time.

8 With respect to majority blended ethanol fuel, as defined
9 in the Use Tax Act, the tax imposed by this Act does not apply
10 to the selling price of property transferred as an incident to
11 the sale of service on or after July 1, 2003 and on or before
12 December 31, 2013 but applies to 100% of the selling price
13 thereafter.

14 With respect to biodiesel blends, as defined in the Use Tax
15 Act, with no less than 1% and no more than 10% biodiesel, the
16 tax imposed by this Act applies to (i) 80% of the selling price
17 of property transferred as an incident to the sale of service
18 on or after July 1, 2003 and on or before December 31, 2013 and
19 (ii) 100% of the proceeds of the selling price thereafter. If,
20 at any time, however, the tax under this Act on sales of
21 biodiesel blends, as defined in the Use Tax Act, with no less
22 than 1% and no more than 10% biodiesel is imposed at the rate
23 of 1.25%, then the tax imposed by this Act applies to 100% of
24 the proceeds of sales of biodiesel blends with no less than 1%
25 and no more than 10% biodiesel made during that time.

26 With respect to 100% biodiesel, as defined in the Use Tax

1 Act, and biodiesel blends, as defined in the Use Tax Act, with
2 more than 10% but no more than 99% biodiesel, the tax imposed
3 by this Act does not apply to the proceeds of the selling price
4 of property transferred as an incident to the sale of service
5 on or after July 1, 2003 and on or before December 31, 2013 but
6 applies to 100% of the selling price thereafter.

7 Beginning on the effective date of this amendatory Act of
8 the 97th General Assembly, with respect to items purchased from
9 a business located in a Job Renewal Zone established under the
10 Employ Illinois Job Renewal Act, other than items that qualify
11 for a 1% rate of tax under this Section, the tax is imposed at
12 the rate of 1.25%.

13 At the election of any registered serviceman made for each
14 fiscal year, sales of service in which the aggregate annual
15 cost price of tangible personal property transferred as an
16 incident to the sales of service is less than 35%, or 75% in
17 the case of servicemen transferring prescription drugs or
18 servicemen engaged in graphic arts production, of the aggregate
19 annual total gross receipts from all sales of service, the tax
20 imposed by this Act shall be based on the serviceman's cost
21 price of the tangible personal property transferred as an
22 incident to the sale of those services.

23 The tax shall be imposed at the rate of 1% on food prepared
24 for immediate consumption and transferred incident to a sale of
25 service subject to this Act or the Service Occupation Tax Act
26 by an entity licensed under the Hospital Licensing Act, the

1 Nursing Home Care Act, the ID/DD Community Care Act, the
2 Specialized Mental Health Rehabilitation Act, or the Child Care
3 Act of 1969. The tax shall also be imposed at the rate of 1% on
4 food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages, soft
6 drinks, and food that has been prepared for immediate
7 consumption and is not otherwise included in this paragraph)
8 and prescription and nonprescription medicines, drugs, medical
9 appliances, modifications to a motor vehicle for the purpose of
10 rendering it usable by a disabled person, and insulin, urine
11 testing materials, syringes, and needles used by diabetics, for
12 human use. For the purposes of this Section, until September 1,
13 2009: the term "soft drinks" means any complete, finished,
14 ready-to-use, non-alcoholic drink, whether carbonated or not,
15 including but not limited to soda water, cola, fruit juice,
16 vegetable juice, carbonated water, and all other preparations
17 commonly known as soft drinks of whatever kind or description
18 that are contained in any closed or sealed bottle, can, carton,
19 or container, regardless of size; but "soft drinks" does not
20 include coffee, tea, non-carbonated water, infant formula,
21 milk or milk products as defined in the Grade A Pasteurized
22 Milk and Milk Products Act, or drinks containing 50% or more
23 natural fruit or vegetable juice.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "soft drinks" means non-alcoholic
26 beverages that contain natural or artificial sweeteners. "Soft

1 drinks" do not include beverages that contain milk or milk
2 products, soy, rice or similar milk substitutes, or greater
3 than 50% of vegetable or fruit juice by volume.

4 Until August 1, 2009, and notwithstanding any other
5 provisions of this Act, "food for human consumption that is to
6 be consumed off the premises where it is sold" includes all
7 food sold through a vending machine, except soft drinks and
8 food products that are dispensed hot from a vending machine,
9 regardless of the location of the vending machine. Beginning
10 August 1, 2009, and notwithstanding any other provisions of
11 this Act, "food for human consumption that is to be consumed
12 off the premises where it is sold" includes all food sold
13 through a vending machine, except soft drinks, candy, and food
14 products that are dispensed hot from a vending machine,
15 regardless of the location of the vending machine.

16 Notwithstanding any other provisions of this Act,
17 beginning September 1, 2009, "food for human consumption that
18 is to be consumed off the premises where it is sold" does not
19 include candy. For purposes of this Section, "candy" means a
20 preparation of sugar, honey, or other natural or artificial
21 sweeteners in combination with chocolate, fruits, nuts or other
22 ingredients or flavorings in the form of bars, drops, or
23 pieces. "Candy" does not include any preparation that contains
24 flour or requires refrigeration.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "nonprescription medicines and

1 drugs" does not include grooming and hygiene products. For
2 purposes of this Section, "grooming and hygiene products"
3 includes, but is not limited to, soaps and cleaning solutions,
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
5 lotions and screens, unless those products are available by
6 prescription only, regardless of whether the products meet the
7 definition of "over-the-counter-drugs". For the purposes of
8 this paragraph, "over-the-counter-drug" means a drug for human
9 use that contains a label that identifies the product as a drug
10 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
11 label includes:

12 (A) A "Drug Facts" panel; or

13 (B) A statement of the "active ingredient(s)" with a
14 list of those ingredients contained in the compound,
15 substance or preparation.

16 If the property that is acquired from a serviceman is
17 acquired outside Illinois and used outside Illinois before
18 being brought to Illinois for use here and is taxable under
19 this Act, the "selling price" on which the tax is computed
20 shall be reduced by an amount that represents a reasonable
21 allowance for depreciation for the period of prior out-of-state
22 use.

23 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
24 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
25 eff. 6-28-11; 97-227, eff. 1-1-12; revised 9-12-11.)

1 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

2 Sec. 9. Each serviceman required or authorized to collect
3 the tax herein imposed shall pay to the Department the amount
4 of such tax (except as otherwise provided) at the time when he
5 is required to file his return for the period during which such
6 tax was collected, less a discount of 2.1% prior to January 1,
7 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
8 year, whichever is greater, which is allowed to reimburse the
9 serviceman for expenses incurred in collecting the tax, keeping
10 records, preparing and filing returns, remitting the tax and
11 supplying data to the Department on request. A serviceman need
12 not remit that part of any tax collected by him to the extent
13 that he is required to pay and does pay the tax imposed by the
14 Service Occupation Tax Act with respect to his sale of service
15 involving the incidental transfer by him of the same property.

16 Except as provided hereinafter in this Section, on or
17 before the twentieth day of each calendar month, such
18 serviceman shall file a return for the preceding calendar month
19 in accordance with reasonable Rules and Regulations to be
20 promulgated by the Department. Such return shall be filed on a
21 form prescribed by the Department and shall contain such
22 information as the Department may reasonably require.

23 The Department may require returns to be filed on a
24 quarterly basis. If so required, a return for each calendar
25 quarter shall be filed on or before the twentieth day of the
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each
2 of the first two months of each calendar quarter, on or before
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

5 2. The address of the principal place of business from
6 which he engages in business as a serviceman in this State;

7 3. The total amount of taxable receipts received by him
8 during the preceding calendar month, including receipts
9 from charge and time sales, but less all deductions allowed
10 by law;

11 4. The amount of credit provided in Section 2d of this
12 Act;

13 5. The amount of tax due;

14 5-5. The signature of the taxpayer; and

15 6. Such other reasonable information as the Department
16 may require.

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

21 Beginning October 1, 1993, a taxpayer who has an average
22 monthly tax liability of \$150,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1994, a taxpayer who has
25 an average monthly tax liability of \$100,000 or more shall make
26 all payments required by rules of the Department by electronic

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

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

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those payments
5 in the manner authorized by the Department.

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

9 If the serviceman is otherwise required to file a monthly
10 return and if the serviceman's average monthly tax liability to
11 the Department does not exceed \$200, the Department may
12 authorize his returns to be filed on a quarter annual basis,
13 with the return for January, February and March of a given year
14 being due by April 20 of such year; with the return for April,
15 May and June of a given year being due by July 20 of such year;
16 with the return for July, August and September of a given year
17 being due by October 20 of such year, and with the return for
18 October, November and December of a given year being due by
19 January 20 of the following year.

20 If the serviceman is otherwise required to file a monthly
21 or quarterly return and if the serviceman's average monthly tax
22 liability to the Department does not exceed \$50, the Department
23 may authorize his returns to be filed on an annual basis, with
24 the return for a given year being due by January 20 of the
25 following year.

26 Such quarter annual and annual returns, as to form and

1 substance, shall be subject to the same requirements as monthly
2 returns.

3 Notwithstanding any other provision in this Act concerning
4 the time within which a serviceman may file his return, in the
5 case of any serviceman who ceases to engage in a kind of
6 business which makes him responsible for filing returns under
7 this Act, such serviceman shall file a final return under this
8 Act with the Department not more than 1 month after
9 discontinuing such business.

10 Where a serviceman collects the tax with respect to the
11 selling price of property which he sells and the purchaser
12 thereafter returns such property and the serviceman refunds the
13 selling price thereof to the purchaser, such serviceman shall
14 also refund, to the purchaser, the tax so collected from the
15 purchaser. When filing his return for the period in which he
16 refunds such tax to the purchaser, the serviceman may deduct
17 the amount of the tax so refunded by him to the purchaser from
18 any other Service Use Tax, Service Occupation Tax, retailers'
19 occupation tax or use tax which such serviceman may be required
20 to pay or remit to the Department, as shown by such return,
21 provided that the amount of the tax to be deducted shall
22 previously have been remitted to the Department by such
23 serviceman. If the serviceman shall not previously have
24 remitted the amount of such tax to the Department, he shall be
25 entitled to no deduction hereunder upon refunding such tax to
26 the purchaser.

1 Any serviceman filing a return hereunder shall also include
2 the total tax upon the selling price of tangible personal
3 property purchased for use by him as an incident to a sale of
4 service, and such serviceman shall remit the amount of such tax
5 to the Department when filing such return.

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

12 Where the serviceman has more than one business registered
13 with the Department under separate registration hereunder,
14 such serviceman shall not file each return that is due as a
15 single return covering all such registered businesses, but
16 shall file separate returns for each such registered business.

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

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund 20% of the
3 net revenue realized for the preceding month from the 6.25%
4 general rate on transfers of tangible personal property, other
5 than tangible personal property which is purchased outside
6 Illinois at retail from a retailer and which is titled or
7 registered by an agency of this State's government.

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

12 Beginning October 1, 2009, each month the Department shall
13 pay into the Capital Projects Fund an amount that is equal to
14 an amount estimated by the Department to represent 80% of the
15 net revenue realized for the preceding month from the sale of
16 candy, grooming and hygiene products, and soft drinks that had
17 been taxed at a rate of 1% prior to September 1, 2009 but that
18 is now taxed at 6.25%.

19 Beginning on the first day of the first month to occur not
20 less than 30 days after the effective date of this amendatory
21 Act of the 97th General Assembly, the Department shall pay into
22 the State and Local Sales Tax Reform Fund 100% of the net
23 revenue realized for the preceding month from the 1.25% rate on
24 items purchased from a business located in a Job Renewal Zone.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

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

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

1 shall be immediately paid from other moneys received by the
 2 Department pursuant to the Tax Acts to the Build Illinois Fund;
 3 provided, however, that any amounts paid to the Build Illinois
 4 Fund in any fiscal year pursuant to this sentence shall be
 5 deemed to constitute payments pursuant to clause (b) of the
 6 preceding sentence and shall reduce the amount otherwise
 7 payable for such fiscal year pursuant to clause (b) of the
 8 preceding sentence. The moneys received by the Department
 9 pursuant to this Act and required to be deposited into the
 10 Build Illinois Fund are subject to the pledge, claim and charge
 11 set forth in Section 12 of the Build Illinois Bond Act.

12 Subject to payment of amounts into the Build Illinois Fund
 13 as provided in the preceding paragraph or in any amendment
 14 thereto hereafter enacted, the following specified monthly
 15 installment of the amount requested in the certificate of the
 16 Chairman of the Metropolitan Pier and Exposition Authority
 17 provided under Section 8.25f of the State Finance Act, but not
 18 in excess of the sums designated as "Total Deposit", shall be
 19 deposited in the aggregate from collections under Section 9 of
 20 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 21 9 of the Service Occupation Tax Act, and Section 3 of the
 22 Retailers' Occupation Tax Act into the McCormick Place
 23 Expansion Project Fund in the specified fiscal years.

24	Fiscal Year	Total
		Deposit
25	1993	\$0

1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	93,000,000
10	2003	99,000,000
11	2004	103,000,000
12	2005	108,000,000
13	2006	113,000,000
14	2007	119,000,000
15	2008	126,000,000
16	2009	132,000,000
17	2010	139,000,000
18	2011	146,000,000
19	2012	153,000,000
20	2013	161,000,000
21	2014	170,000,000
22	2015	179,000,000
23	2016	189,000,000
24	2017	199,000,000
25	2018	210,000,000
26	2019	221,000,000

1	2020	233,000,000
2	2021	246,000,000
3	2022	260,000,000
4	2023	275,000,000
5	2024	275,000,000
6	2025	275,000,000
7	2026	279,000,000
8	2027	292,000,000
9	2028	307,000,000
10	2029	322,000,000
11	2030	338,000,000
12	2031	350,000,000
13	2032	350,000,000

14 and
15 each fiscal year
16 thereafter that bonds
17 are outstanding under
18 Section 13.2 of the
19 Metropolitan Pier and
20 Exposition Authority Act,
21 but not after fiscal year 2060.

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

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

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

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

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

4 All remaining moneys received by the Department pursuant to
5 this Act shall be paid into the General Revenue Fund of the
6 State Treasury.

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

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

18 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
19 eff. 5-27-10.)

20 Section 80. The Service Occupation Tax Act is amended by
21 changing Sections 3-10 and 9 as follows:

22 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

23 Sec. 3-10. Rate of tax. Unless otherwise provided in this
24 Section, the tax imposed by this Act is at the rate of 6.25% of

1 the "selling price", as defined in Section 2 of the Service Use
2 Tax Act, of the tangible personal property. For the purpose of
3 computing this tax, in no event shall the "selling price" be
4 less than the cost price to the serviceman of the tangible
5 personal property transferred. The selling price of each item
6 of tangible personal property transferred as an incident of a
7 sale of service may be shown as a distinct and separate item on
8 the serviceman's billing to the service customer. If the
9 selling price is not so shown, the selling price of the
10 tangible personal property is deemed to be 50% of the
11 serviceman's entire billing to the service customer. When,
12 however, a serviceman contracts to design, develop, and produce
13 special order machinery or equipment, the tax imposed by this
14 Act shall be based on the serviceman's cost price of the
15 tangible personal property transferred incident to the
16 completion of the contract.

17 Beginning on July 1, 2000 and through December 31, 2000,
18 with respect to motor fuel, as defined in Section 1.1 of the
19 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
20 the Use Tax Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, as defined in the Use Tax Act, the
22 tax imposed by this Act shall apply to (i) 70% of the cost
23 price of property transferred as an incident to the sale of
24 service on or after January 1, 1990, and before July 1, 2003,
25 (ii) 80% of the selling price of property transferred as an
26 incident to the sale of service on or after July 1, 2003 and on

1 or before December 31, 2013, and (iii) 100% of the cost price
2 thereafter. If, at any time, however, the tax under this Act on
3 sales of gasohol, as defined in the Use Tax Act, is imposed at
4 the rate of 1.25%, then the tax imposed by this Act applies to
5 100% of the proceeds of sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the selling price of property transferred as an incident to
9 the sale of service on or after July 1, 2003 and on or before
10 December 31, 2013 but applies to 100% of the selling price
11 thereafter.

12 With respect to biodiesel blends, as defined in the Use Tax
13 Act, with no less than 1% and no more than 10% biodiesel, the
14 tax imposed by this Act applies to (i) 80% of the selling price
15 of property transferred as an incident to the sale of service
16 on or after July 1, 2003 and on or before December 31, 2013 and
17 (ii) 100% of the proceeds of the selling price thereafter. If,
18 at any time, however, the tax under this Act on sales of
19 biodiesel blends, as defined in the Use Tax Act, with no less
20 than 1% and no more than 10% biodiesel is imposed at the rate
21 of 1.25%, then the tax imposed by this Act applies to 100% of
22 the proceeds of sales of biodiesel blends with no less than 1%
23 and no more than 10% biodiesel made during that time.

24 With respect to 100% biodiesel, as defined in the Use Tax
25 Act, and biodiesel blends, as defined in the Use Tax Act, with
26 more than 10% but no more than 99% biodiesel material, the tax

1 imposed by this Act does not apply to the proceeds of the
2 selling price of property transferred as an incident to the
3 sale of service on or after July 1, 2003 and on or before
4 December 31, 2013 but applies to 100% of the selling price
5 thereafter.

6 Beginning on the effective date of this amendatory Act of
7 the 97th General Assembly, with respect to items purchased from
8 a business located in a Job Renewal Zone established under the
9 Employ Illinois Job Renewal Act, other than items that qualify
10 for a 1% rate of tax under this Section, the tax is imposed at
11 the rate of 1.25%.

12 At the election of any registered serviceman made for each
13 fiscal year, sales of service in which the aggregate annual
14 cost price of tangible personal property transferred as an
15 incident to the sales of service is less than 35%, or 75% in
16 the case of servicemen transferring prescription drugs or
17 servicemen engaged in graphic arts production, of the aggregate
18 annual total gross receipts from all sales of service, the tax
19 imposed by this Act shall be based on the serviceman's cost
20 price of the tangible personal property transferred incident to
21 the sale of those services.

22 The tax shall be imposed at the rate of 1% on food prepared
23 for immediate consumption and transferred incident to a sale of
24 service subject to this Act or the Service Occupation Tax Act
25 by an entity licensed under the Hospital Licensing Act, the
26 Nursing Home Care Act, the ID/DD Community Care Act, the

1 Specialized Mental Health Rehabilitation Act, or the Child Care
2 Act of 1969. The tax shall also be imposed at the rate of 1% on
3 food for human consumption that is to be consumed off the
4 premises where it is sold (other than alcoholic beverages, soft
5 drinks, and food that has been prepared for immediate
6 consumption and is not otherwise included in this paragraph)
7 and prescription and nonprescription medicines, drugs, medical
8 appliances, modifications to a motor vehicle for the purpose of
9 rendering it usable by a disabled person, and insulin, urine
10 testing materials, syringes, and needles used by diabetics, for
11 human use. For the purposes of this Section, until September 1,
12 2009: the term "soft drinks" means any complete, finished,
13 ready-to-use, non-alcoholic drink, whether carbonated or not,
14 including but not limited to soda water, cola, fruit juice,
15 vegetable juice, carbonated water, and all other preparations
16 commonly known as soft drinks of whatever kind or description
17 that are contained in any closed or sealed can, carton, or
18 container, regardless of size; but "soft drinks" does not
19 include coffee, tea, non-carbonated water, infant formula,
20 milk or milk products as defined in the Grade A Pasteurized
21 Milk and Milk Products Act, or drinks containing 50% or more
22 natural fruit or vegetable juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" do not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

3 Until August 1, 2009, and notwithstanding any other
4 provisions of this Act, "food for human consumption that is to
5 be consumed off the premises where it is sold" includes all
6 food sold through a vending machine, except soft drinks and
7 food products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine. Beginning
9 August 1, 2009, and notwithstanding any other provisions of
10 this Act, "food for human consumption that is to be consumed
11 off the premises where it is sold" includes all food sold
12 through a vending machine, except soft drinks, candy, and food
13 products that are dispensed hot from a vending machine,
14 regardless of the location of the vending machine.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or other
21 ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) A "Drug Facts" panel; or

12 (B) A statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
16 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
17 eff. 6-28-11; 97-227, eff. 1-1-12; revised 9-12-11.)

18 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

19 Sec. 9. Each serviceman required or authorized to collect
20 the tax herein imposed shall pay to the Department the amount
21 of such tax at the time when he is required to file his return
22 for the period during which such tax was collectible, less a
23 discount of 2.1% prior to January 1, 1990, and 1.75% on and
24 after January 1, 1990, or \$5 per calendar year, whichever is
25 greater, which is allowed to reimburse the serviceman for

1 expenses incurred in collecting the tax, keeping records,
2 preparing and filing returns, remitting the tax and supplying
3 data to the Department on request.

4 Where such tangible personal property is sold under a
5 conditional sales contract, or under any other form of sale
6 wherein the payment of the principal sum, or a part thereof, is
7 extended beyond the close of the period for which the return is
8 filed, the serviceman, in collecting the tax may collect, for
9 each tax return period, only the tax applicable to the part of
10 the selling price actually received during such tax return
11 period.

12 Except as provided hereinafter in this Section, on or
13 before the twentieth day of each calendar month, such
14 serviceman shall file a return for the preceding calendar month
15 in accordance with reasonable rules and regulations to be
16 promulgated by the Department of Revenue. Such return shall be
17 filed on a form prescribed by the Department and shall contain
18 such information as the Department may reasonably require.

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

26 1. The name of the seller;

1 2. The address of the principal place of business from
2 which he engages in business as a serviceman in this State;

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

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

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

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

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

17 Prior to October 1, 2003, and on and after September 1,
18 2004 a serviceman may accept a Manufacturer's Purchase Credit
19 certification from a purchaser in satisfaction of Service Use
20 Tax as provided in Section 3-70 of the Service Use Tax Act if
21 the purchaser provides the appropriate documentation as
22 required by Section 3-70 of the Service Use Tax Act. A
23 Manufacturer's Purchase Credit certification, accepted prior
24 to October 1, 2003 or on or after September 1, 2004 by a
25 serviceman as provided in Section 3-70 of the Service Use Tax
26 Act, may be used by that serviceman to satisfy Service

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

12 If the serviceman's average monthly tax liability to the
13 Department does not exceed \$200, the Department may authorize
14 his returns to be filed on a quarter annual basis, with the
15 return for January, February and March of a given year being
16 due by April 20 of such year; with the return for April, May
17 and June of a given year being due by July 20 of such year; with
18 the return for July, August and September of a given year being
19 due by October 20 of such year, and with the return for
20 October, November and December of a given year being due by
21 January 20 of the following year.

22 If the serviceman's average monthly tax liability to the
23 Department does not exceed \$50, the Department may authorize
24 his returns to be filed on an annual basis, with the return for
25 a given year being due by January 20 of the following year.

26 Such quarter annual and annual returns, as to form and

1 substance, shall be subject to the same requirements as monthly
2 returns.

3 Notwithstanding any other provision in this Act concerning
4 the time within which a serviceman may file his return, in the
5 case of any serviceman who ceases to engage in a kind of
6 business which makes him responsible for filing returns under
7 this Act, such serviceman shall file a final return under this
8 Act with the Department not more than 1 month after
9 discontinuing such business.

10 Beginning October 1, 1993, a taxpayer who has an average
11 monthly tax liability of \$150,000 or more shall make all
12 payments required by rules of the Department by electronic
13 funds transfer. Beginning October 1, 1994, a taxpayer who has
14 an average monthly tax liability of \$100,000 or more shall make
15 all payments required by rules of the Department by electronic
16 funds transfer. Beginning October 1, 1995, a taxpayer who has
17 an average monthly tax liability of \$50,000 or more shall make
18 all payments required by rules of the Department by electronic
19 funds transfer. Beginning October 1, 2000, a taxpayer who has
20 an annual tax liability of \$200,000 or more shall make all
21 payments required by rules of the Department by electronic
22 funds transfer. The term "annual tax liability" shall be the
23 sum of the taxpayer's liabilities under this Act, and under all
24 other State and local occupation and use tax laws administered
25 by the Department, for the immediately preceding calendar year.
26 The term "average monthly tax liability" means the sum of the

1 taxpayer's liabilities under this Act, and under all other
2 State and local occupation and use tax laws administered by the
3 Department, for the immediately preceding calendar year
4 divided by 12. Beginning on October 1, 2002, a taxpayer who has
5 a tax liability in the amount set forth in subsection (b) of
6 Section 2505-210 of the Department of Revenue Law shall make
7 all payments required by rules of the Department by electronic
8 funds transfer.

9 Before August 1 of each year beginning in 1993, the
10 Department shall notify all taxpayers required to make payments
11 by electronic funds transfer. All taxpayers required to make
12 payments by electronic funds transfer shall make those payments
13 for a minimum of one year beginning on October 1.

14 Any taxpayer not required to make payments by electronic
15 funds transfer may make payments by electronic funds transfer
16 with the permission of the Department.

17 All taxpayers required to make payment by electronic funds
18 transfer and any taxpayers authorized to voluntarily make
19 payments by electronic funds transfer shall make those payments
20 in the manner authorized by the Department.

21 The Department shall adopt such rules as are necessary to
22 effectuate a program of electronic funds transfer and the
23 requirements of this Section.

24 Where a serviceman collects the tax with respect to the
25 selling price of tangible personal property which he sells and
26 the purchaser thereafter returns such tangible personal

1 property and the serviceman refunds the selling price thereof
2 to the purchaser, such serviceman shall also refund, to the
3 purchaser, the tax so collected from the purchaser. When filing
4 his return for the period in which he refunds such tax to the
5 purchaser, the serviceman may deduct the amount of the tax so
6 refunded by him to the purchaser from any other Service
7 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
8 Use Tax which such serviceman may be required to pay or remit
9 to the Department, as shown by such return, provided that the
10 amount of the tax to be deducted shall previously have been
11 remitted to the Department by such serviceman. If the
12 serviceman shall not previously have remitted the amount of
13 such tax to the Department, he shall be entitled to no
14 deduction hereunder upon refunding such tax to the purchaser.

15 If experience indicates such action to be practicable, the
16 Department may prescribe and furnish a combination or joint
17 return which will enable servicemen, who are required to file
18 returns hereunder and also under the Retailers' Occupation Tax
19 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
20 the return information required by all said Acts on the one
21 form.

22 Where the serviceman has more than one business registered
23 with the Department under separate registrations hereunder,
24 such serviceman shall file separate returns for each registered
25 business.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund the revenue realized for
2 the preceding month from the 1% tax on sales of food for human
3 consumption which is to be consumed off the premises where it
4 is sold (other than alcoholic beverages, soft drinks and food
5 which has been prepared for immediate consumption) and
6 prescription and nonprescription medicines, drugs, medical
7 appliances and insulin, urine testing materials, syringes and
8 needles used by diabetics.

9 Beginning January 1, 1990, each month the Department shall
10 pay into the County and Mass Transit District Fund 4% of the
11 revenue realized for the preceding month from the 6.25% general
12 rate.

13 Beginning August 1, 2000, each month the Department shall
14 pay into the County and Mass Transit District Fund 20% of the
15 net revenue realized for the preceding month from the 1.25%
16 rate on the selling price of motor fuel and gasohol.

17 Beginning January 1, 1990, each month the Department shall
18 pay into the Local Government Tax Fund 16% of the revenue
19 realized for the preceding month from the 6.25% general rate on
20 transfers of tangible personal property.

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

25 Beginning on the first day of the first month to occur not
26 less than 30 days after the effective date of this amendatory

1 Act of the 97th General Assembly, the Department shall pay into
2 the Local Government Tax Fund 80% of the net revenue realized
3 for the preceding month from the 1.25% rate on items purchased
4 from a business located in a Job Renewal Zone. Beginning on the
5 first day of the first month to occur not less than 30 days
6 after the effective date of this amendatory Act of the 97th
7 General Assembly, the Department shall pay into the County and
8 Mass Transit District Fund 20% of the net revenue realized for
9 the preceding month from the 1.25% rate on items purchased from
10 a business located in a Job Renewal Zone.

11 Beginning October 1, 2009, each month the Department shall
12 pay into the Capital Projects Fund an amount that is equal to
13 an amount estimated by the Department to represent 80% of the
14 net revenue realized for the preceding month from the sale of
15 candy, grooming and hygiene products, and soft drinks that had
16 been taxed at a rate of 1% prior to September 1, 2009 but that
17 is now taxed at 6.25%.

18 Of the remainder of the moneys received by the Department
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
21 and after July 1, 1989, 3.8% thereof shall be paid into the
22 Build Illinois Fund; provided, however, that if in any fiscal
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
24 may be, of the moneys received by the Department and required
25 to be paid into the Build Illinois Fund pursuant to Section 3
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

1 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
2 Service Occupation Tax Act, such Acts being hereinafter called
3 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
4 may be, of moneys being hereinafter called the "Tax Act
5 Amount", and (2) the amount transferred to the Build Illinois
6 Fund from the State and Local Sales Tax Reform Fund shall be
7 less than the Annual Specified Amount (as defined in Section 3
8 of the Retailers' Occupation Tax Act), an amount equal to the
9 difference shall be immediately paid into the Build Illinois
10 Fund from other moneys received by the Department pursuant to
11 the Tax Acts; and further provided, that if on the last
12 business day of any month the sum of (1) the Tax Act Amount
13 required to be deposited into the Build Illinois Account in the
14 Build Illinois Fund during such month and (2) the amount
15 transferred during such month to the Build Illinois Fund from
16 the State and Local Sales Tax Reform Fund shall have been less
17 than 1/12 of the Annual Specified Amount, an amount equal to
18 the difference shall be immediately paid into the Build
19 Illinois Fund from other moneys received by the Department
20 pursuant to the Tax Acts; and, further provided, that in no
21 event shall the payments required under the preceding proviso
22 result in aggregate payments into the Build Illinois Fund
23 pursuant to this clause (b) for any fiscal year in excess of
24 the greater of (i) the Tax Act Amount or (ii) the Annual
25 Specified Amount for such fiscal year; and, further provided,
26 that the amounts payable into the Build Illinois Fund under

1 this clause (b) shall be payable only until such time as the
2 aggregate amount on deposit under each trust indenture securing
3 Bonds issued and outstanding pursuant to the Build Illinois
4 Bond Act is sufficient, taking into account any future
5 investment income, to fully provide, in accordance with such
6 indenture, for the defeasance of or the payment of the
7 principal of, premium, if any, and interest on the Bonds
8 secured by such indenture and on any Bonds expected to be
9 issued thereafter and all fees and costs payable with respect
10 thereto, all as certified by the Director of the Bureau of the
11 Budget (now Governor's Office of Management and Budget). If on
12 the last business day of any month in which Bonds are
13 outstanding pursuant to the Build Illinois Bond Act, the
14 aggregate of the moneys deposited in the Build Illinois Bond
15 Account in the Build Illinois Fund in such month shall be less
16 than the amount required to be transferred in such month from
17 the Build Illinois Bond Account to the Build Illinois Bond
18 Retirement and Interest Fund pursuant to Section 13 of the
19 Build Illinois Bond Act, an amount equal to such deficiency
20 shall be immediately paid from other moneys received by the
21 Department pursuant to the Tax Acts to the Build Illinois Fund;
22 provided, however, that any amounts paid to the Build Illinois
23 Fund in any fiscal year pursuant to this sentence shall be
24 deemed to constitute payments pursuant to clause (b) of the
25 preceding sentence and shall reduce the amount otherwise
26 payable for such fiscal year pursuant to clause (b) of the

1 preceding sentence. The moneys received by the Department
 2 pursuant to this Act and required to be deposited into the
 3 Build Illinois Fund are subject to the pledge, claim and charge
 4 set forth in Section 12 of the Build Illinois Bond Act.

5 Subject to payment of amounts into the Build Illinois Fund
 6 as provided in the preceding paragraph or in any amendment
 7 thereto hereafter enacted, the following specified monthly
 8 installment of the amount requested in the certificate of the
 9 Chairman of the Metropolitan Pier and Exposition Authority
 10 provided under Section 8.25f of the State Finance Act, but not
 11 in excess of the sums designated as "Total Deposit", shall be
 12 deposited in the aggregate from collections under Section 9 of
 13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 14 9 of the Service Occupation Tax Act, and Section 3 of the
 15 Retailers' Occupation Tax Act into the McCormick Place
 16 Expansion Project Fund in the specified fiscal years.

17	Fiscal Year	Total
		Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

15 Beginning July 20, 1993 and in each month of each fiscal
16 year thereafter, one-eighth of the amount requested in the
17 certificate of the Chairman of the Metropolitan Pier and
18 Exposition Authority for that fiscal year, less the amount
19 deposited into the McCormick Place Expansion Project Fund by
20 the State Treasurer in the respective month under subsection
21 (g) of Section 13 of the Metropolitan Pier and Exposition
22 Authority Act, plus cumulative deficiencies in the deposits
23 required under this Section for previous months and years,
24 shall be deposited into the McCormick Place Expansion Project
25 Fund, until the full amount requested for the fiscal year, but
26 not in excess of the amount specified above as "Total Deposit",

1 has been deposited.

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

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

23 Remaining moneys received by the Department pursuant to
24 this Act shall be paid into the General Revenue Fund of the
25 State Treasury.

26 The Department may, upon separate written notice to a

1 taxpayer, require the taxpayer to prepare and file with the
2 Department on a form prescribed by the Department within not
3 less than 60 days after receipt of the notice an annual
4 information return for the tax year specified in the notice.
5 Such annual return to the Department shall include a statement
6 of gross receipts as shown by the taxpayer's last Federal
7 income tax return. If the total receipts of the business as
8 reported in the Federal income tax return do not agree with the
9 gross receipts reported to the Department of Revenue for the
10 same period, the taxpayer shall attach to his annual return a
11 schedule showing a reconciliation of the 2 amounts and the
12 reasons for the difference. The taxpayer's annual return to the
13 Department shall also disclose the cost of goods sold by the
14 taxpayer during the year covered by such return, opening and
15 closing inventories of such goods for such year, cost of goods
16 used from stock or taken from stock and given away by the
17 taxpayer during such year, pay roll information of the
18 taxpayer's business during such year and any additional
19 reasonable information which the Department deems would be
20 helpful in determining the accuracy of the monthly, quarterly
21 or annual returns filed by such taxpayer as hereinbefore
22 provided for in this Section.

23 If the annual information return required by this Section
24 is not filed when and as required, the taxpayer shall be liable
25 as follows:

26 (i) Until January 1, 1994, the taxpayer shall be liable

1 for a penalty equal to 1/6 of 1% of the tax due from such
2 taxpayer under this Act during the period to be covered by
3 the annual return for each month or fraction of a month
4 until such return is filed as required, the penalty to be
5 assessed and collected in the same manner as any other
6 penalty provided for in this Act.

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

10 The chief executive officer, proprietor, owner or highest
11 ranking manager shall sign the annual return to certify the
12 accuracy of the information contained therein. Any person who
13 willfully signs the annual return containing false or
14 inaccurate information shall be guilty of perjury and punished
15 accordingly. The annual return form prescribed by the
16 Department shall include a warning that the person signing the
17 return may be liable for perjury.

18 The foregoing portion of this Section concerning the filing
19 of an annual information return shall not apply to a serviceman
20 who is not required to file an income tax return with the
21 United States Government.

22 As soon as possible after the first day of each month, upon
23 certification of the Department of Revenue, the Comptroller
24 shall order transferred and the Treasurer shall transfer from
25 the General Revenue Fund to the Motor Fuel Tax Fund an amount
26 equal to 1.7% of 80% of the net revenue realized under this Act

1 for the second preceding month. Beginning April 1, 2000, this
2 transfer is no longer required and shall not be made.

3 Net revenue realized for a month shall be the revenue
4 collected by the State pursuant to this Act, less the amount
5 paid out during that month as refunds to taxpayers for
6 overpayment of liability.

7 For greater simplicity of administration, it shall be
8 permissible for manufacturers, importers and wholesalers whose
9 products are sold by numerous servicemen in Illinois, and who
10 wish to do so, to assume the responsibility for accounting and
11 paying to the Department all tax accruing under this Act with
12 respect to such sales, if the servicemen who are affected do
13 not make written objection to the Department to this
14 arrangement.

15 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
16 eff. 5-27-10.)

17 Section 85. The Retailers' Occupation Tax Act is amended by
18 changing Sections 2-10 and 3 as follows:

19 (35 ILCS 120/2-10)

20 Sec. 2-10. Rate of tax. Unless otherwise provided in this
21 Section, the tax imposed by this Act is at the rate of 6.25% of
22 gross receipts from sales of tangible personal property made in
23 the course of business.

24 Beginning on July 1, 2000 and through December 31, 2000,

1 with respect to motor fuel, as defined in Section 1.1 of the
2 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
3 the Use Tax Act, the tax is imposed at the rate of 1.25%.

4 Beginning on August 6, 2010 through August 15, 2010, with
5 respect to sales tax holiday items as defined in Section 2-8 of
6 this Act, the tax is imposed at the rate of 1.25%.

7 Within 14 days after the effective date of this amendatory
8 Act of the 91st General Assembly, each retailer of motor fuel
9 and gasohol shall cause the following notice to be posted in a
10 prominently visible place on each retail dispensing device that
11 is used to dispense motor fuel or gasohol in the State of
12 Illinois: "As of July 1, 2000, the State of Illinois has
13 eliminated the State's share of sales tax on motor fuel and
14 gasohol through December 31, 2000. The price on this pump
15 should reflect the elimination of the tax." The notice shall be
16 printed in bold print on a sign that is no smaller than 4
17 inches by 8 inches. The sign shall be clearly visible to
18 customers. Any retailer who fails to post or maintain a
19 required sign through December 31, 2000 is guilty of a petty
20 offense for which the fine shall be \$500 per day per each
21 retail premises where a violation occurs.

22 With respect to gasohol, as defined in the Use Tax Act, the
23 tax imposed by this Act applies to (i) 70% of the proceeds of
24 sales made on or after January 1, 1990, and before July 1,
25 2003, (ii) 80% of the proceeds of sales made on or after July
26 1, 2003 and on or before December 31, 2013, and (iii) 100% of

1 the proceeds of sales made thereafter. If, at any time,
2 however, the tax under this Act on sales of gasohol, as defined
3 in the Use Tax Act, is imposed at the rate of 1.25%, then the
4 tax imposed by this Act applies to 100% of the proceeds of
5 sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the proceeds of sales made on or after July 1, 2003 and on or
9 before December 31, 2013 but applies to 100% of the proceeds of
10 sales made thereafter.

11 With respect to biodiesel blends, as defined in the Use Tax
12 Act, with no less than 1% and no more than 10% biodiesel, the
13 tax imposed by this Act applies to (i) 80% of the proceeds of
14 sales made on or after July 1, 2003 and on or before December
15 31, 2013 and (ii) 100% of the proceeds of sales made
16 thereafter. If, at any time, however, the tax under this Act on
17 sales of biodiesel blends, as defined in the Use Tax Act, with
18 no less than 1% and no more than 10% biodiesel is imposed at
19 the rate of 1.25%, then the tax imposed by this Act applies to
20 100% of the proceeds of sales of biodiesel blends with no less
21 than 1% and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel, as defined in the Use Tax
23 Act, and biodiesel blends, as defined in the Use Tax Act, with
24 more than 10% but no more than 99% biodiesel, the tax imposed
25 by this Act does not apply to the proceeds of sales made on or
26 after July 1, 2003 and on or before December 31, 2013 but

1 applies to 100% of the proceeds of sales made thereafter.

2 With respect to food for human consumption that is to be
3 consumed off the premises where it is sold (other than
4 alcoholic beverages, soft drinks, and food that has been
5 prepared for immediate consumption) and prescription and
6 nonprescription medicines, drugs, medical appliances,
7 modifications to a motor vehicle for the purpose of rendering
8 it usable by a disabled person, and insulin, urine testing
9 materials, syringes, and needles used by diabetics, for human
10 use, the tax is imposed at the rate of 1%. For the purposes of
11 this Section, until September 1, 2009: the term "soft drinks"
12 means any complete, finished, ready-to-use, non-alcoholic
13 drink, whether carbonated or not, including but not limited to
14 soda water, cola, fruit juice, vegetable juice, carbonated
15 water, and all other preparations commonly known as soft drinks
16 of whatever kind or description that are contained in any
17 closed or sealed bottle, can, carton, or container, regardless
18 of size; but "soft drinks" does not include coffee, tea,
19 non-carbonated water, infant formula, milk or milk products as
20 defined in the Grade A Pasteurized Milk and Milk Products Act,
21 or drinks containing 50% or more natural fruit or vegetable
22 juice.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" do not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

3 Until August 1, 2009, and notwithstanding any other
4 provisions of this Act, "food for human consumption that is to
5 be consumed off the premises where it is sold" includes all
6 food sold through a vending machine, except soft drinks and
7 food products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine. Beginning
9 August 1, 2009, and notwithstanding any other provisions of
10 this Act, "food for human consumption that is to be consumed
11 off the premises where it is sold" includes all food sold
12 through a vending machine, except soft drinks, candy, and food
13 products that are dispensed hot from a vending machine,
14 regardless of the location of the vending machine.

15 Notwithstanding any other provisions of this Act,
16 beginning September 1, 2009, "food for human consumption that
17 is to be consumed off the premises where it is sold" does not
18 include candy. For purposes of this Section, "candy" means a
19 preparation of sugar, honey, or other natural or artificial
20 sweeteners in combination with chocolate, fruits, nuts or other
21 ingredients or flavorings in the form of bars, drops, or
22 pieces. "Candy" does not include any preparation that contains
23 flour or requires refrigeration.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

1 purposes of this Section, "grooming and hygiene products"
2 includes, but is not limited to, soaps and cleaning solutions,
3 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
4 lotions and screens, unless those products are available by
5 prescription only, regardless of whether the products meet the
6 definition of "over-the-counter-drugs". For the purposes of
7 this paragraph, "over-the-counter-drug" means a drug for human
8 use that contains a label that identifies the product as a drug
9 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
10 label includes:

11 (A) A "Drug Facts" panel; or

12 (B) A statement of the "active ingredient(s)" with a
13 list of those ingredients contained in the compound,
14 substance or preparation.

15 Beginning on the effective date of this amendatory Act of
16 the 97th General Assembly, with respect to items purchased from
17 a business located in a Job Renewal Zone established under the
18 Employ Illinois Job Renewal Act, other than items that qualify
19 for a 1% rate of tax under this Section, the tax is imposed at
20 the rate of 1.25%.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
22 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10.)

23 (35 ILCS 120/3) (from Ch. 120, par. 442)

24 Sec. 3. Except as provided in this Section, on or before
25 the twentieth day of each calendar month, every person engaged

1 in the business of selling tangible personal property at retail
2 in this State during the preceding calendar month shall file a
3 return with the Department, stating:

4 1. The name of the seller;

5 2. His residence address and the address of his
6 principal place of business and the address of the
7 principal place of business (if that is a different
8 address) from which he engages in the business of selling
9 tangible personal property at retail in this State;

10 3. Total amount of receipts received by him during the
11 preceding calendar month or quarter, as the case may be,
12 from sales of tangible personal property, and from services
13 furnished, by him during such preceding calendar month or
14 quarter;

15 4. Total amount received by him during the preceding
16 calendar month or quarter on charge and time sales of
17 tangible personal property, and from services furnished,
18 by him prior to the month or quarter for which the return
19 is filed;

20 5. Deductions allowed by law;

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

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

26 8. The amount of tax due;

1 9. The signature of the taxpayer; and

2 10. Such other reasonable information as the
3 Department may require.

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

8 Each return shall be accompanied by the statement of
9 prepaid tax issued pursuant to Section 2e for which credit is
10 claimed.

11 Prior to October 1, 2003, and on and after September 1,
12 2004 a retailer may accept a Manufacturer's Purchase Credit
13 certification from a purchaser in satisfaction of Use Tax as
14 provided in Section 3-85 of the Use Tax Act if the purchaser
15 provides the appropriate documentation as required by Section
16 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
17 certification, accepted by a retailer prior to October 1, 2003
18 and on and after September 1, 2004 as provided in Section 3-85
19 of the Use Tax Act, may be used by that retailer to satisfy
20 Retailers' Occupation Tax liability in the amount claimed in
21 the certification, not to exceed 6.25% of the receipts subject
22 to tax from a qualifying purchase. A Manufacturer's Purchase
23 Credit reported on any original or amended return filed under
24 this Act after October 20, 2003 for reporting periods prior to
25 September 1, 2004 shall be disallowed. Manufacturer's
26 Purchaser Credit reported on annual returns due on or after

1 January 1, 2005 will be disallowed for periods prior to
2 September 1, 2004. No Manufacturer's Purchase Credit may be
3 used after September 30, 2003 through August 31, 2004 to
4 satisfy any tax liability imposed under this Act, including any
5 audit liability.

6 The Department may require returns to be filed on a
7 quarterly basis. If so required, a return for each calendar
8 quarter shall be filed on or before the twentieth day of the
9 calendar month following the end of such calendar quarter. The
10 taxpayer shall also file a return with the Department for each
11 of the first two months of each calendar quarter, on or before
12 the twentieth day of the following calendar month, stating:

- 13 1. The name of the seller;
- 14 2. The address of the principal place of business from
15 which he engages in the business of selling tangible
16 personal property at retail in this State;
- 17 3. The total amount of taxable receipts received by him
18 during the preceding calendar month from sales of tangible
19 personal property by him during such preceding calendar
20 month, including receipts from charge and time sales, but
21 less all deductions allowed by law;
- 22 4. The amount of credit provided in Section 2d of this
23 Act;
- 24 5. The amount of tax due; and
- 25 6. Such other reasonable information as the Department
26 may require.

1 Beginning on October 1, 2003, any person who is not a
2 licensed distributor, importing distributor, or manufacturer,
3 as defined in the Liquor Control Act of 1934, but is engaged in
4 the business of selling, at retail, alcoholic liquor shall file
5 a statement with the Department of Revenue, in a format and at
6 a time prescribed by the Department, showing the total amount
7 paid for alcoholic liquor purchased during the preceding month
8 and such other information as is reasonably required by the
9 Department. The Department may adopt rules to require that this
10 statement be filed in an electronic or telephonic format. Such
11 rules may provide for exceptions from the filing requirements
12 of this paragraph. For the purposes of this paragraph, the term
13 "alcoholic liquor" shall have the meaning prescribed in the
14 Liquor Control Act of 1934.

15 Beginning on October 1, 2003, every distributor, importing
16 distributor, and manufacturer of alcoholic liquor as defined in
17 the Liquor Control Act of 1934, shall file a statement with the
18 Department of Revenue, no later than the 10th day of the month
19 for the preceding month during which transactions occurred, by
20 electronic means, showing the total amount of gross receipts
21 from the sale of alcoholic liquor sold or distributed during
22 the preceding month to purchasers; identifying the purchaser to
23 whom it was sold or distributed; the purchaser's tax
24 registration number; and such other information reasonably
25 required by the Department. A distributor, importing
26 distributor, or manufacturer of alcoholic liquor must

1 personally deliver, mail, or provide by electronic means to
2 each retailer listed on the monthly statement a report
3 containing a cumulative total of that distributor's, importing
4 distributor's, or manufacturer's total sales of alcoholic
5 liquor to that retailer no later than the 10th day of the month
6 for the preceding month during which the transaction occurred.
7 The distributor, importing distributor, or manufacturer shall
8 notify the retailer as to the method by which the distributor,
9 importing distributor, or manufacturer will provide the sales
10 information. If the retailer is unable to receive the sales
11 information by electronic means, the distributor, importing
12 distributor, or manufacturer shall furnish the sales
13 information by personal delivery or by mail. For purposes of
14 this paragraph, the term "electronic means" includes, but is
15 not limited to, the use of a secure Internet website, e-mail,
16 or facsimile.

17 If a total amount of less than \$1 is payable, refundable or
18 creditable, such amount shall be disregarded if it is less than
19 50 cents and shall be increased to \$1 if it is 50 cents or more.

20 Beginning October 1, 1993, a taxpayer who has an average
21 monthly tax liability of \$150,000 or more shall make all
22 payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1994, a taxpayer who has
24 an average monthly tax liability of \$100,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1995, a taxpayer who has

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

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

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

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

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

8 Any amount which is required to be shown or reported on any
9 return or other document under this Act shall, if such amount
10 is not a whole-dollar amount, be increased to the nearest
11 whole-dollar amount in any case where the fractional part of a
12 dollar is 50 cents or more, and decreased to the nearest
13 whole-dollar amount where the fractional part of a dollar is
14 less than 50 cents.

15 If the retailer is otherwise required to file a monthly
16 return and if the retailer's average monthly tax liability to
17 the Department does not exceed \$200, the Department may
18 authorize his returns to be filed on a quarter annual basis,
19 with the return for January, February and March of a given year
20 being due by April 20 of such year; with the return for April,
21 May and June of a given year being due by July 20 of such year;
22 with the return for July, August and September of a given year
23 being due by October 20 of such year, and with the return for
24 October, November and December of a given year being due by
25 January 20 of the following year.

26 If the retailer is otherwise required to file a monthly or

1 quarterly return and if the retailer's average monthly tax
2 liability with the Department does not exceed \$50, the
3 Department may authorize his returns to be filed on an annual
4 basis, with the return for a given year being due by January 20
5 of the following year.

6 Such quarter annual and annual returns, as to form and
7 substance, shall be subject to the same requirements as monthly
8 returns.

9 Notwithstanding any other provision in this Act concerning
10 the time within which a retailer may file his return, in the
11 case of any retailer who ceases to engage in a kind of business
12 which makes him responsible for filing returns under this Act,
13 such retailer shall file a final return under this Act with the
14 Department not more than one month after discontinuing such
15 business.

16 Where the same person has more than one business registered
17 with the Department under separate registrations under this
18 Act, such person may not file each return that is due as a
19 single return covering all such registered businesses, but
20 shall file separate returns for each such registered business.

21 In addition, with respect to motor vehicles, watercraft,
22 aircraft, and trailers that are required to be registered with
23 an agency of this State, every retailer selling this kind of
24 tangible personal property shall file, with the Department,
25 upon a form to be prescribed and supplied by the Department, a
26 separate return for each such item of tangible personal

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

18 Any retailer who sells only motor vehicles, watercraft,
19 aircraft, or trailers that are required to be registered with
20 an agency of this State, so that all retailers' occupation tax
21 liability is required to be reported, and is reported, on such
22 transaction reporting returns and who is not otherwise required
23 to file monthly or quarterly returns, need not file monthly or
24 quarterly returns. However, those retailers shall be required
25 to file returns on an annual basis.

26 The transaction reporting return, in the case of motor

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

21 The transaction reporting return in the case of watercraft
22 or aircraft must show the name and address of the seller; the
23 name and address of the purchaser; the amount of the selling
24 price including the amount allowed by the retailer for
25 traded-in property, if any; the amount allowed by the retailer
26 for the traded-in tangible personal property, if any, to the

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

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

23 With each such transaction reporting return, the retailer
24 shall remit the proper amount of tax due (or shall submit
25 satisfactory evidence that the sale is not taxable if that is
26 the case), to the Department or its agents, whereupon the

1 Department shall issue, in the purchaser's name, a use tax
2 receipt (or a certificate of exemption if the Department is
3 satisfied that the particular sale is tax exempt) which such
4 purchaser may submit to the agency with which, or State officer
5 with whom, he must title or register the tangible personal
6 property that is involved (if titling or registration is
7 required) in support of such purchaser's application for an
8 Illinois certificate or other evidence of title or registration
9 to such tangible personal property.

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

18 If the user who would otherwise pay tax to the retailer
19 wants the transaction reporting return filed and the payment of
20 the tax or proof of exemption made to the Department before the
21 retailer is willing to take these actions and such user has not
22 paid the tax to the retailer, such user may certify to the fact
23 of such delay by the retailer and may (upon the Department
24 being satisfied of the truth of such certification) transmit
25 the information required by the transaction reporting return
26 and the remittance for tax or proof of exemption directly to

1 the Department and obtain his tax receipt or exemption
2 determination, in which event the transaction reporting return
3 and tax remittance (if a tax payment was required) shall be
4 credited by the Department to the proper retailer's account
5 with the Department, but without the 2.1% or 1.75% discount
6 provided for in this Section being allowed. When the user pays
7 the tax directly to the Department, he shall pay the tax in the
8 same amount and in the same form in which it would be remitted
9 if the tax had been remitted to the Department by the retailer.

10 Refunds made by the seller during the preceding return
11 period to purchasers, on account of tangible personal property
12 returned to the seller, shall be allowed as a deduction under
13 subdivision 5 of his monthly or quarterly return, as the case
14 may be, in case the seller had theretofore included the
15 receipts from the sale of such tangible personal property in a
16 return filed by him and had paid the tax imposed by this Act
17 with respect to such receipts.

18 Where the seller is a corporation, the return filed on
19 behalf of such corporation shall be signed by the president,
20 vice-president, secretary or treasurer or by the properly
21 accredited agent of such corporation.

22 Where the seller is a limited liability company, the return
23 filed on behalf of the limited liability company shall be
24 signed by a manager, member, or properly accredited agent of
25 the limited liability company.

26 Except as provided in this Section, the retailer filing the

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

15 Before October 1, 2000, if the taxpayer's average monthly
16 tax liability to the Department under this Act, the Use Tax
17 Act, the Service Occupation Tax Act, and the Service Use Tax
18 Act, excluding any liability for prepaid sales tax to be
19 remitted in accordance with Section 2d of this Act, was \$10,000
20 or more during the preceding 4 complete calendar quarters, he
21 shall file a return with the Department each month by the 20th
22 day of the month next following the month during which such tax
23 liability is incurred and shall make payments to the Department
24 on or before the 7th, 15th, 22nd and last day of the month
25 during which such liability is incurred. On and after October
26 1, 2000, if the taxpayer's average monthly tax liability to the

1 Department under this Act, the Use Tax Act, the Service
2 Occupation Tax Act, and the Service Use Tax Act, excluding any
3 liability for prepaid sales tax to be remitted in accordance
4 with Section 2d of this Act, was \$20,000 or more during the
5 preceding 4 complete calendar quarters, he shall file a return
6 with the Department each month by the 20th day of the month
7 next following the month during which such tax liability is
8 incurred and shall make payment to the Department on or before
9 the 7th, 15th, 22nd and last day of the month during which such
10 liability is incurred. If the month during which such tax
11 liability is incurred began prior to January 1, 1985, each
12 payment shall be in an amount equal to 1/4 of the taxpayer's
13 actual liability for the month or an amount set by the
14 Department not to exceed 1/4 of the average monthly liability
15 of the taxpayer to the Department for the preceding 4 complete
16 calendar quarters (excluding the month of highest liability and
17 the month of lowest liability in such 4 quarter period). If the
18 month during which such tax liability is incurred begins on or
19 after January 1, 1985 and prior to January 1, 1987, each
20 payment shall be in an amount equal to 22.5% of the taxpayer's
21 actual liability for the month or 27.5% of the taxpayer's
22 liability for the same calendar month of the preceding year. If
23 the month during which such tax liability is incurred begins on
24 or after January 1, 1987 and prior to January 1, 1988, each
25 payment shall be in an amount equal to 22.5% of the taxpayer's
26 actual liability for the month or 26.25% of the taxpayer's

1 liability for the same calendar month of the preceding year. If
2 the month during which such tax liability is incurred begins on
3 or after January 1, 1988, and prior to January 1, 1989, or
4 begins on or after January 1, 1996, each payment shall be in an
5 amount equal to 22.5% of the taxpayer's actual liability for
6 the month or 25% of the taxpayer's liability for the same
7 calendar month of the preceding year. If the month during which
8 such tax liability is incurred begins on or after January 1,
9 1989, and prior to January 1, 1996, each payment shall be in an
10 amount equal to 22.5% of the taxpayer's actual liability for
11 the month or 25% of the taxpayer's liability for the same
12 calendar month of the preceding year or 100% of the taxpayer's
13 actual liability for the quarter monthly reporting period. The
14 amount of such quarter monthly payments shall be credited
15 against the final tax liability of the taxpayer's return for
16 that month. Before October 1, 2000, once applicable, the
17 requirement of the making of quarter monthly payments to the
18 Department by taxpayers having an average monthly tax liability
19 of \$10,000 or more as determined in the manner provided above
20 shall continue until such taxpayer's average monthly liability
21 to the Department during the preceding 4 complete calendar
22 quarters (excluding the month of highest liability and the
23 month of lowest liability) is less than \$9,000, or until such
24 taxpayer's average monthly liability to the Department as
25 computed for each calendar quarter of the 4 preceding complete
26 calendar quarter period is less than \$10,000. However, if a

1 taxpayer can show the Department that a substantial change in
2 the taxpayer's business has occurred which causes the taxpayer
3 to anticipate that his average monthly tax liability for the
4 reasonably foreseeable future will fall below the \$10,000
5 threshold stated above, then such taxpayer may petition the
6 Department for a change in such taxpayer's reporting status. On
7 and after October 1, 2000, once applicable, the requirement of
8 the making of quarter monthly payments to the Department by
9 taxpayers having an average monthly tax liability of \$20,000 or
10 more as determined in the manner provided above shall continue
11 until such taxpayer's average monthly liability to the
12 Department during the preceding 4 complete calendar quarters
13 (excluding the month of highest liability and the month of
14 lowest liability) is less than \$19,000 or until such taxpayer's
15 average monthly liability to the Department as computed for
16 each calendar quarter of the 4 preceding complete calendar
17 quarter period is less than \$20,000. However, if a taxpayer can
18 show the Department that a substantial change in the taxpayer's
19 business has occurred which causes the taxpayer to anticipate
20 that his average monthly tax liability for the reasonably
21 foreseeable future will fall below the \$20,000 threshold stated
22 above, then such taxpayer may petition the Department for a
23 change in such taxpayer's reporting status. The Department
24 shall change such taxpayer's reporting status unless it finds
25 that such change is seasonal in nature and not likely to be
26 long term. If any such quarter monthly payment is not paid at

1 the time or in the amount required by this Section, then the
2 taxpayer shall be liable for penalties and interest on the
3 difference between the minimum amount due as a payment and the
4 amount of such quarter monthly payment actually and timely
5 paid, except insofar as the taxpayer has previously made
6 payments for that month to the Department in excess of the
7 minimum payments previously due as provided in this Section.
8 The Department shall make reasonable rules and regulations to
9 govern the quarter monthly payment amount and quarter monthly
10 payment dates for taxpayers who file on other than a calendar
11 monthly basis.

12 The provisions of this paragraph apply before October 1,
13 2001. Without regard to whether a taxpayer is required to make
14 quarter monthly payments as specified above, any taxpayer who
15 is required by Section 2d of this Act to collect and remit
16 prepaid taxes and has collected prepaid taxes which average in
17 excess of \$25,000 per month during the preceding 2 complete
18 calendar quarters, shall file a return with the Department as
19 required by Section 2f and shall make payments to the
20 Department on or before the 7th, 15th, 22nd and last day of the
21 month during which such liability is incurred. If the month
22 during which such tax liability is incurred began prior to the
23 effective date of this amendatory Act of 1985, each payment
24 shall be in an amount not less than 22.5% of the taxpayer's
25 actual liability under Section 2d. If the month during which
26 such tax liability is incurred begins on or after January 1,

1 1986, each payment shall be in an amount equal to 22.5% of the
2 taxpayer's actual liability for the month or 27.5% of the
3 taxpayer's liability for the same calendar month of the
4 preceding calendar year. If the month during which such tax
5 liability is incurred begins on or after January 1, 1987, each
6 payment shall be in an amount equal to 22.5% of the taxpayer's
7 actual liability for the month or 26.25% of the taxpayer's
8 liability for the same calendar month of the preceding year.
9 The amount of such quarter monthly payments shall be credited
10 against the final tax liability of the taxpayer's return for
11 that month filed under this Section or Section 2f, as the case
12 may be. Once applicable, the requirement of the making of
13 quarter monthly payments to the Department pursuant to this
14 paragraph shall continue until such taxpayer's average monthly
15 prepaid tax collections during the preceding 2 complete
16 calendar quarters is \$25,000 or less. If any such quarter
17 monthly payment is not paid at the time or in the amount
18 required, the taxpayer shall be liable for penalties and
19 interest on such difference, except insofar as the taxpayer has
20 previously made payments for that month in excess of the
21 minimum payments previously due.

22 The provisions of this paragraph apply on and after October
23 1, 2001. Without regard to whether a taxpayer is required to
24 make quarter monthly payments as specified above, any taxpayer
25 who is required by Section 2d of this Act to collect and remit
26 prepaid taxes and has collected prepaid taxes that average in

1 excess of \$20,000 per month during the preceding 4 complete
2 calendar quarters shall file a return with the Department as
3 required by Section 2f and shall make payments to the
4 Department on or before the 7th, 15th, 22nd and last day of the
5 month during which the liability is incurred. Each payment
6 shall be in an amount equal to 22.5% of the taxpayer's actual
7 liability for the month or 25% of the taxpayer's liability for
8 the same calendar month of the preceding year. The amount of
9 the quarter monthly payments shall be credited against the
10 final tax liability of the taxpayer's return for that month
11 filed under this Section or Section 2f, as the case may be.
12 Once applicable, the requirement of the making of quarter
13 monthly payments to the Department pursuant to this paragraph
14 shall continue until the taxpayer's average monthly prepaid tax
15 collections during the preceding 4 complete calendar quarters
16 (excluding the month of highest liability and the month of
17 lowest liability) is less than \$19,000 or until such taxpayer's
18 average monthly liability to the Department as computed for
19 each calendar quarter of the 4 preceding complete calendar
20 quarters is less than \$20,000. If any such quarter monthly
21 payment is not paid at the time or in the amount required, the
22 taxpayer shall be liable for penalties and interest on such
23 difference, except insofar as the taxpayer has previously made
24 payments for that month in excess of the minimum payments
25 previously due.

26 If any payment provided for in this Section exceeds the

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

22 If a retailer of motor fuel is entitled to a credit under
23 Section 2d of this Act which exceeds the taxpayer's liability
24 to the Department under this Act for the month which the
25 taxpayer is filing a return, the Department shall issue the
26 taxpayer a credit memorandum for the excess.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the Local Government Tax Fund, a special fund in the
3 State treasury which is hereby created, the net revenue
4 realized for the preceding month from the 1% tax on sales of
5 food for human consumption which is to be consumed off the
6 premises where it is sold (other than alcoholic beverages, soft
7 drinks and food which has been prepared for immediate
8 consumption) and prescription and nonprescription medicines,
9 drugs, medical appliances and insulin, urine testing
10 materials, syringes and needles used by diabetics.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the County and Mass Transit District Fund, a special
13 fund in the State treasury which is hereby created, 4% of the
14 net revenue realized for the preceding month from the 6.25%
15 general rate.

16 Beginning August 1, 2000, each month the Department shall
17 pay into the County and Mass Transit District Fund 20% of the
18 net revenue realized for the preceding month from the 1.25%
19 rate on the selling price of motor fuel and gasohol. Beginning
20 September 1, 2010, each month the Department shall pay into the
21 County and Mass Transit District Fund 20% of the net revenue
22 realized for the preceding month from the 1.25% rate on the
23 selling price of sales tax holiday items.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund 16% of the net revenue
26 realized for the preceding month from the 6.25% general rate on

1 the selling price of tangible personal property.

2 Beginning August 1, 2000, each month the Department shall
3 pay into the Local Government Tax Fund 80% of the net revenue
4 realized for the preceding month from the 1.25% rate on the
5 selling price of motor fuel and gasohol. Beginning September 1,
6 2010, each month the Department shall pay into the Local
7 Government Tax Fund 80% of the net revenue realized for the
8 preceding month from the 1.25% rate on the selling price of
9 sales tax holiday items.

10 Beginning on the first day of the first month to occur not
11 less than 30 days after the effective date of this amendatory
12 Act of the 97th General Assembly, the Department shall pay into
13 the Local Government Tax Fund 80% of the net revenue realized
14 for the preceding month from the 1.25% rate on items purchased
15 from a business located in a Job Renewal Zone. Beginning on the
16 first day of the first month to occur not less than 30 days
17 after the effective date of this amendatory Act of the 97th
18 General Assembly, the Department shall pay into the County and
19 Mass Transit District Fund 20% of the net revenue realized for
20 the preceding month from the 1.25% rate on items purchased from
21 a business located in a Job Renewal Zone.

22 Beginning October 1, 2009, each month the Department shall
23 pay into the Capital Projects Fund an amount that is equal to
24 an amount estimated by the Department to represent 80% of the
25 net revenue realized for the preceding month from the sale of
26 candy, grooming and hygiene products, and soft drinks that had

1 been taxed at a rate of 1% prior to September 1, 2009 but that
2 is now taxed at 6.25%.

3 Beginning July 1, 2011, each month the Department shall pay
4 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
5 realized for the preceding month from the 6.25% general rate on
6 the selling price of sorbents used in Illinois in the process
7 of sorbent injection as used to comply with the Environmental
8 Protection Act or the federal Clean Air Act, but the total
9 payment into the Clean Air Act (CAA) Permit Fund under this Act
10 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal
11 year.

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

1 hereinafter defined), an amount equal to the difference shall
2 be immediately paid into the Build Illinois Fund from other
3 moneys received by the Department pursuant to the Tax Acts; the
4 "Annual Specified Amount" means the amounts specified below for
5 fiscal years 1986 through 1993:

6	Fiscal Year	Annual Specified Amount
7	1986	\$54,800,000
8	1987	\$76,650,000
9	1988	\$80,480,000
10	1989	\$88,510,000
11	1990	\$115,330,000
12	1991	\$145,470,000
13	1992	\$182,730,000
14	1993	\$206,520,000;

15 and means the Certified Annual Debt Service Requirement (as
16 defined in Section 13 of the Build Illinois Bond Act) or the
17 Tax Act Amount, whichever is greater, for fiscal year 1994 and
18 each fiscal year thereafter; and further provided, that if on
19 the last business day of any month the sum of (1) the Tax Act
20 Amount required to be deposited into the Build Illinois Bond
21 Account in the Build Illinois Fund during such month and (2)
22 the amount transferred to the Build Illinois Fund from the
23 State and Local Sales Tax Reform Fund shall have been less than
24 1/12 of the Annual Specified Amount, an amount equal to the
25 difference shall be immediately paid into the Build Illinois
26 Fund from other moneys received by the Department pursuant to

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

1 by the Department pursuant to the Tax Acts to the Build
 2 Illinois Fund; provided, however, that any amounts paid to the
 3 Build Illinois Fund in any fiscal year pursuant to this
 4 sentence shall be deemed to constitute payments pursuant to
 5 clause (b) of the first sentence of this paragraph and shall
 6 reduce the amount otherwise payable for such fiscal year
 7 pursuant to that clause (b). The moneys received by the
 8 Department pursuant to this Act and required to be deposited
 9 into the Build Illinois Fund are subject to the pledge, claim
 10 and charge set forth in Section 12 of the Build Illinois Bond
 11 Act.

12 Subject to payment of amounts into the Build Illinois Fund
 13 as provided in the preceding paragraph or in any amendment
 14 thereto hereafter enacted, the following specified monthly
 15 installment of the amount requested in the certificate of the
 16 Chairman of the Metropolitan Pier and Exposition Authority
 17 provided under Section 8.25f of the State Finance Act, but not
 18 in excess of sums designated as "Total Deposit", shall be
 19 deposited in the aggregate from collections under Section 9 of
 20 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
 21 9 of the Service Occupation Tax Act, and Section 3 of the
 22 Retailers' Occupation Tax Act into the McCormick Place
 23 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
24	1993	\$0
25		

1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	93,000,000
10	2003	99,000,000
11	2004	103,000,000
12	2005	108,000,000
13	2006	113,000,000
14	2007	119,000,000
15	2008	126,000,000
16	2009	132,000,000
17	2010	139,000,000
18	2011	146,000,000
19	2012	153,000,000
20	2013	161,000,000
21	2014	170,000,000
22	2015	179,000,000
23	2016	189,000,000
24	2017	199,000,000
25	2018	210,000,000
26	2019	221,000,000

1	2020	233,000,000
2	2021	246,000,000
3	2022	260,000,000
4	2023	275,000,000
5	2024	275,000,000
6	2025	275,000,000
7	2026	279,000,000
8	2027	292,000,000
9	2028	307,000,000
10	2029	322,000,000
11	2030	338,000,000
12	2031	350,000,000
13	2032	350,000,000

14 and
15 each fiscal year
16 thereafter that bonds
17 are outstanding under
18 Section 13.2 of the
19 Metropolitan Pier and
20 Exposition Authority Act,
21 but not after fiscal year 2060.

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

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

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

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

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

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

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

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

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

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

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

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

1 return may be liable for perjury.

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

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

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

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

24 Any person who promotes, organizes, provides retail
25 selling space for concessionaires or other types of sellers at
26 the Illinois State Fair, DuQuoin State Fair, county fairs,

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

15 Any person engaged in the business of selling tangible
16 personal property at retail as a concessionaire or other type
17 of seller at the Illinois State Fair, county fairs, art shows,
18 flea markets and similar exhibitions or events, or any
19 transient merchants, as defined by Section 2 of the Transient
20 Merchant Act of 1987, may be required to make a daily report of
21 the amount of such sales to the Department and to make a daily
22 payment of the full amount of tax due. The Department shall
23 impose this requirement when it finds that there is a
24 significant risk of loss of revenue to the State at such an
25 exhibition or event. Such a finding shall be based on evidence
26 that a substantial number of concessionaires or other sellers

1 who are not residents of Illinois will be engaging in the
2 business of selling tangible personal property at retail at the
3 exhibition or event, or other evidence of a significant risk of
4 loss of revenue to the State. The Department shall notify
5 concessionaires and other sellers affected by the imposition of
6 this requirement. In the absence of notification by the
7 Department, the concessionaires and other sellers shall file
8 their returns as otherwise required in this Section.

9 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
10 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
11 97-333, eff. 8-12-11.)

12 Section 99. Effective date. This Act takes effect upon
13 becoming law.