



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB6146

by Rep. Wayne Rosenthal - Bill Mitchell - Adam Brown - Dwight Kay - Richard Morthland, et al.

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-10	
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 120/2-10	

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning on July 1, 2012 and through December 31, 2012, with respect to motor fuel and gasohol the tax under the Acts is imposed at the rate of 1.25% (now, 6.25%). Effective immediately.

LRB097 20947 HLH 68068 b

FISCAL NOTE ACT
MAY APPLY

1 AN ACT concerning revenue.

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

4 Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

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

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

19 A portion of the money paid into the Local Government Tax
20 Fund from the 6.25% general use tax rate on the selling price
21 of tangible personal property which is purchased outside
22 Illinois at retail from a retailer and which is titled or
23 registered by any agency of this State's government shall be

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

10 A portion of the money paid into the Local Government Tax
11 Fund from the 6.25% general rate (and, beginning July 1, 2000
12 and through December 31, 2000 and beginning again on July 1,
13 2012 and through December 31, 2012, the 1.25% rate on motor
14 fuel and gasohol, and beginning on August 6, 2010 through
15 August 15, 2010, the 1.25% rate on sales tax holiday items) on
16 sales subject to taxation under the Retailers' Occupation Tax
17 Act and the Service Occupation Tax Act, which occurred in
18 municipalities, shall be distributed to each municipality,
19 based upon the sales which occurred in that municipality. The
20 remainder shall be distributed to each county, based upon the
21 sales which occurred in the unincorporated area of such county.

22 For the purpose of determining allocation to the local
23 government unit, a retail sale by a producer of coal or other
24 mineral mined in Illinois is a sale at retail at the place
25 where the coal or other mineral mined in Illinois is extracted
26 from the earth. This paragraph does not apply to coal or other

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

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

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

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

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

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

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

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

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

19 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
20 97-333, eff. 8-12-11.)

21 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

22 Sec. 6z-20. Of the money received from the 6.25% general
23 rate (and, beginning July 1, 2000 and through December 31, 2000
24 and beginning again on July 1, 2012 and through December 31,
25 2012, the 1.25% rate on motor fuel and gasohol, and beginning

1 on August 6, 2010 through August 15, 2010, the 1.25% rate on
2 sales tax holiday items) on sales subject to taxation under the
3 Retailers' Occupation Tax Act and Service Occupation Tax Act
4 and paid into the County and Mass Transit District Fund,
5 distribution to the Regional Transportation Authority tax
6 fund, created pursuant to Section 4.03 of the Regional
7 Transportation Authority Act, for deposit therein shall be made
8 based upon the retail sales occurring in a county having more
9 than 3,000,000 inhabitants. The remainder shall be distributed
10 to each county having 3,000,000 or fewer inhabitants based upon
11 the retail sales occurring in each such county.

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

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

1 are given as being in each county having more than 3,000,000
2 inhabitants shall be distributed into the Regional
3 Transportation Authority tax fund, created pursuant to Section
4 4.03 of the Regional Transportation Authority Act. The
5 remainder of the money paid from such sales shall be
6 distributed to each county based on sales for which Illinois
7 addresses for titling or registration purposes are given as
8 being located in the county. Any money paid into the Regional
9 Transportation Authority Occupation and Use Tax Replacement
10 Fund from the County and Mass Transit District Fund prior to
11 January 14, 1991, which has not been paid to the Authority
12 prior to that date, shall be transferred to the Regional
13 Transportation Authority tax fund.

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

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

1 Development and Economy Act, collected during the second
2 preceding calendar month for sales within a STAR bond district
3 and deposited into the County and Mass Transit District Fund,
4 less 3% of that amount, which shall be transferred into the Tax
5 Compliance and Administration Fund and shall be used by the
6 Department, subject to appropriation, to cover the costs of the
7 Department in administering the Innovation Development and
8 Economy Act.

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

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

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

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

26 In construing any development, redevelopment, annexation,

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

9 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
10 97-333, eff. 8-12-11.)

11 Section 10. The Use Tax Act is amended by changing Section
12 3-10 as follows:

13 (35 ILCS 105/3-10)

14 (Text of Section before amendment by P.A. 97-636)

15 Sec. 3-10. Rate of tax. Unless otherwise provided in this
16 Section, the tax imposed by this Act is at the rate of 6.25% of
17 either the selling price or the fair market value, if any, of
18 the tangible personal property. In all cases where property
19 functionally used or consumed is the same as the property that
20 was purchased at retail, then the tax is imposed on the selling
21 price of the property. In all cases where property functionally
22 used or consumed is a by-product or waste product that has been
23 refined, manufactured, or produced from property purchased at
24 retail, then the tax is imposed on the lower of the fair market

1 value, if any, of the specific property so used in this State
2 or on the selling price of the property purchased at retail.
3 For purposes of this Section "fair market value" means the
4 price at which property would change hands between a willing
5 buyer and a willing seller, neither being under any compulsion
6 to buy or sell and both having reasonable knowledge of the
7 relevant facts. The fair market value shall be established by
8 Illinois sales by the taxpayer of the same property as that
9 functionally used or consumed, or if there are no such sales by
10 the taxpayer, then comparable sales or purchases of property of
11 like kind and character in Illinois.

12 Beginning on July 1, 2000 and through December 31, 2000 and
13 beginning again on July 1, 2012 and through December 31, 2012,
14 with respect to motor fuel, as defined in Section 1.1 of the
15 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
16 the Use Tax Act, the tax is imposed at the rate of 1.25%.

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

20 With respect to gasohol, the tax imposed by this Act
21 applies to (i) 70% of the proceeds of sales made on or after
22 January 1, 1990, and before July 1, 2003, (ii) 80% of the
23 proceeds of sales made on or after July 1, 2003 and on or
24 before December 31, 2013, and (iii) 100% of the proceeds of
25 sales made thereafter. If, at any time, however, the tax under
26 this Act on sales of gasohol is imposed at the rate of 1.25%,

1 then the tax imposed by this Act applies to 100% of the
2 proceeds of sales of gasohol made during that time.

3 With respect to majority blended ethanol fuel, the tax
4 imposed by this Act does not apply to the proceeds of sales
5 made on or after July 1, 2003 and on or before December 31,
6 2013 but applies to 100% of the proceeds of sales made
7 thereafter.

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

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

23 With respect to food for human consumption that is to be
24 consumed off the premises where it is sold (other than
25 alcoholic beverages, soft drinks, and food that has been
26 prepared for immediate consumption) and prescription and

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

18 Notwithstanding any other provisions of this Act,
19 beginning September 1, 2009, "soft drinks" means non-alcoholic
20 beverages that contain natural or artificial sweeteners. "Soft
21 drinks" do not include beverages that contain milk or milk
22 products, soy, rice or similar milk substitutes, or greater
23 than 50% of vegetable or fruit juice by volume.

24 Until August 1, 2009, and notwithstanding any other
25 provisions of this Act, "food for human consumption that is to
26 be consumed off the premises where it is sold" includes all

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

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

19 Notwithstanding any other provisions of this Act,
20 beginning September 1, 2009, "nonprescription medicines and
21 drugs" does not include grooming and hygiene products. For
22 purposes of this Section, "grooming and hygiene products"
23 includes, but is not limited to, soaps and cleaning solutions,
24 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
25 lotions and screens, unless those products are available by
26 prescription only, regardless of whether the products meet the

1 definition of "over-the-counter-drugs". For the purposes of
2 this paragraph, "over-the-counter-drug" means a drug for human
3 use that contains a label that identifies the product as a drug
4 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
5 label includes:

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

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

10 If the property that is purchased at retail from a retailer
11 is acquired outside Illinois and used outside Illinois before
12 being brought to Illinois for use here and is taxable under
13 this Act, the "selling price" on which the tax is computed
14 shall be reduced by an amount that represents a reasonable
15 allowance for depreciation for the period of prior out-of-state
16 use.

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

19 (Text of Section after amendment by P.A. 97-636)

20 Sec. 3-10. 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 either the selling price or the fair market value, if any, of
23 the tangible personal property. In all cases where property
24 functionally used or consumed is the same as the property that
25 was purchased at retail, then the tax is imposed on the selling

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

16 Beginning on July 1, 2000 and through December 31, 2000 and
17 beginning again on July 1, 2012 and through December 31, 2012,
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 Beginning on August 6, 2010 through August 15, 2010, with
22 respect to sales tax holiday items as defined in Section 3-6 of
23 this Act, the tax is imposed at the rate of 1.25%.

24 With respect to gasohol, the tax imposed by this Act
25 applies to (i) 70% of the proceeds of sales made on or after
26 January 1, 1990, and before July 1, 2003, (ii) 80% of the

1 proceeds of sales made on or after July 1, 2003 and on or
2 before December 31, 2018, and (iii) 100% of the proceeds of
3 sales made thereafter. If, at any time, however, the tax under
4 this Act on sales of gasohol is imposed at the rate of 1.25%,
5 then the tax imposed by this Act applies to 100% of the
6 proceeds of sales of gasohol made during that time.

7 With respect to majority blended ethanol fuel, the tax
8 imposed by this Act does not apply to the proceeds of sales
9 made on or after July 1, 2003 and on or before December 31,
10 2018 but applies to 100% of the proceeds of sales made
11 thereafter.

12 With respect to biodiesel blends with no less than 1% and
13 no more than 10% biodiesel, the tax imposed by this Act applies
14 to (i) 80% of the proceeds of sales made on or after July 1,
15 2003 and on or before December 31, 2018 and (ii) 100% of the
16 proceeds of sales made thereafter. If, at any time, however,
17 the tax under this Act on sales of biodiesel blends with no
18 less than 1% and no more than 10% biodiesel is imposed at the
19 rate of 1.25%, then the tax imposed by this Act applies to 100%
20 of the proceeds of sales of biodiesel blends with no less than
21 1% and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel and biodiesel blends with
23 more than 10% but no more than 99% biodiesel, the tax imposed
24 by this Act does not apply to the proceeds of sales made on or
25 after July 1, 2003 and on or before December 31, 2018 but
26 applies to 100% of the proceeds of sales made thereafter.

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

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

1 than 50% of vegetable or fruit juice by volume.

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

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

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

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

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

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

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

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 97-636, eff. 6-1-12.)

24 Section 15. The Service Use Tax Act is amended by changing
25 Section 3-10 as follows:

1 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

2 (Text of Section before amendment by P.A. 97-636)

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

9 Beginning on July 1, 2000 and through December 31, 2000 and
10 beginning again on July 1, 2012 and through December 31, 2012,
11 with respect to motor fuel, as defined in Section 1.1 of the
12 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
13 the Use Tax Act, the tax is imposed at the rate of 1.25%.

14 With respect to gasohol, as defined in the Use Tax Act, the
15 tax imposed by this Act applies to (i) 70% of the selling price
16 of property transferred as an incident to the sale of service
17 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
18 of the selling price of property transferred as an incident to
19 the sale of service on or after July 1, 2003 and on or before
20 December 31, 2013, and (iii) 100% of the selling price
21 thereafter. If, at any time, however, the tax under this Act on
22 sales of gasohol, as defined in the Use Tax Act, is imposed at
23 the rate of 1.25%, then the tax imposed by this Act applies to
24 100% of the proceeds of sales of gasohol made during that time.

25 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply
2 to the selling price of property transferred as an incident to
3 the 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 With respect to biodiesel blends, as defined in the Use Tax
7 Act, with no less than 1% and no more than 10% biodiesel, the
8 tax imposed by this Act applies to (i) 80% of the selling price
9 of property transferred as an incident to the sale of service
10 on or after July 1, 2003 and on or before December 31, 2013 and
11 (ii) 100% of the proceeds of the selling price thereafter. If,
12 at any time, however, the tax under this Act on sales of
13 biodiesel blends, as defined in the Use Tax Act, with no less
14 than 1% and no more than 10% biodiesel is imposed at the rate
15 of 1.25%, then the tax imposed by this Act applies to 100% of
16 the proceeds of sales of biodiesel blends with no less than 1%
17 and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax
19 Act, and biodiesel blends, as defined in the Use Tax Act, with
20 more than 10% but no more than 99% biodiesel, the tax imposed
21 by this Act does not apply to the proceeds of the selling price
22 of property transferred as an incident to the sale of service
23 on or after July 1, 2003 and on or before December 31, 2013 but
24 applies to 100% of the selling price thereafter.

25 At the election of any registered serviceman made for each
26 fiscal year, sales of service in which the aggregate annual

1 cost price of tangible personal property transferred as an
2 incident to the sales of service is less than 35%, or 75% in
3 the case of servicemen transferring prescription drugs or
4 servicemen engaged in graphic arts production, of the aggregate
5 annual total gross receipts from all sales of service, the tax
6 imposed by this Act shall be based on the serviceman's cost
7 price of the tangible personal property transferred as an
8 incident to the sale of those services.

9 The tax shall be imposed at the rate of 1% on food prepared
10 for immediate consumption and transferred incident to a sale of
11 service subject to this Act or the Service Occupation Tax Act
12 by an entity licensed under the Hospital Licensing Act, the
13 Nursing Home Care Act, the ID/DD Community Care Act, the
14 Specialized Mental Health Rehabilitation Act, or the Child Care
15 Act of 1969. The tax shall also be imposed at the rate of 1% on
16 food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages, soft
18 drinks, and food that has been prepared for immediate
19 consumption and is not otherwise included in this paragraph)
20 and prescription and nonprescription medicines, drugs, medical
21 appliances, modifications to a motor vehicle for the purpose of
22 rendering it usable by a disabled person, and insulin, urine
23 testing materials, syringes, and needles used by diabetics, for
24 human use. For the purposes of this Section, until September 1,
25 2009: the term "soft drinks" means any complete, finished,
26 ready-to-use, non-alcoholic drink, whether carbonated or not,

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

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

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

1 regardless of the location of the vending machine.

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

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

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

25 (B) A statement of the "active ingredient(s)" with a
26 list of those ingredients contained in the compound,

1 substance or preparation.

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

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

12 (Text of Section after amendment by P.A. 97-636)

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

19 Beginning on July 1, 2000 and through December 31, 2000 and
20 beginning again on July 1, 2012 and through December 31, 2012,
21 with respect to motor fuel, as defined in Section 1.1 of the
22 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
23 the Use Tax Act, the tax is imposed at the rate of 1.25%.

24 With respect to gasohol, as defined in the Use Tax Act, the
25 tax imposed by this Act applies to (i) 70% of the selling price

1 of property transferred as an incident to the sale of service
2 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
3 of the selling price of property transferred as an incident to
4 the sale of service on or after July 1, 2003 and on or before
5 December 31, 2018, and (iii) 100% of the selling price
6 thereafter. If, at any time, however, the tax under this Act on
7 sales of gasohol, as defined in the Use Tax Act, is imposed at
8 the rate of 1.25%, then the tax imposed by this Act applies to
9 100% of the proceeds of sales of gasohol made during that time.

10 With respect to majority blended ethanol fuel, as defined
11 in the Use Tax Act, the tax imposed by this Act does not apply
12 to the selling price of property transferred as an incident to
13 the sale of service on or after July 1, 2003 and on or before
14 December 31, 2018 but applies to 100% of the selling price
15 thereafter.

16 With respect to biodiesel blends, as defined in the Use Tax
17 Act, with no less than 1% and no more than 10% biodiesel, the
18 tax imposed by this Act applies to (i) 80% of the selling price
19 of property transferred as an incident to the sale of service
20 on or after July 1, 2003 and on or before December 31, 2018 and
21 (ii) 100% of the proceeds of the selling price thereafter. If,
22 at any time, however, the tax under this Act on sales of
23 biodiesel blends, as defined in the Use Tax Act, with no less
24 than 1% and no more than 10% biodiesel is imposed at the rate
25 of 1.25%, then the tax imposed by this Act applies to 100% of
26 the proceeds of sales of biodiesel blends with no less than 1%

1 and no more than 10% biodiesel made during that time.

2 With respect to 100% biodiesel, as defined in the Use Tax
3 Act, and biodiesel blends, as defined in the Use Tax Act, with
4 more than 10% but no more than 99% biodiesel, the tax imposed
5 by this Act does not apply to the proceeds of the selling price
6 of property transferred as an incident to the sale of service
7 on or after July 1, 2003 and on or before December 31, 2018 but
8 applies to 100% of the selling price thereafter.

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

19 The tax shall be imposed at the rate of 1% on food prepared
20 for immediate consumption and transferred incident to a sale of
21 service subject to this Act or the Service Occupation Tax Act
22 by an entity licensed under the Hospital Licensing Act, the
23 Nursing Home Care Act, the ID/DD Community Care Act, the
24 Specialized Mental Health Rehabilitation Act, or the Child Care
25 Act of 1969. The tax shall also be imposed at the rate of 1% on
26 food for human consumption that is to be consumed off the

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

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "soft drinks" means non-alcoholic
22 beverages that contain natural or artificial sweeteners. "Soft
23 drinks" do not include beverages that contain milk or milk
24 products, soy, rice or similar milk substitutes, or greater
25 than 50% of vegetable or fruit juice by volume.

26 Until August 1, 2009, and notwithstanding any other

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

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

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "nonprescription medicines and
23 drugs" does not include grooming and hygiene products. For
24 purposes of this Section, "grooming and hygiene products"
25 includes, but is not limited to, soaps and cleaning solutions,
26 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan

1 lotions and screens, unless those products are available by
2 prescription only, regardless of whether the products meet the
3 definition of "over-the-counter-drugs". For the purposes of
4 this paragraph, "over-the-counter-drug" means a drug for human
5 use that contains a label that identifies the product as a drug
6 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
7 label includes:

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

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

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

19 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
20 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
21 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

22 Section 20. The Service Occupation Tax Act is amended by
23 changing Section 3-10 as follows:

24 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

1 (Text of Section before amendment by P.A. 97-636)

2 Sec. 3-10. Rate of tax. Unless otherwise provided in this
3 Section, the tax imposed by this Act is at the rate of 6.25% of
4 the "selling price", as defined in Section 2 of the Service Use
5 Tax Act, of the tangible personal property. For the purpose of
6 computing this tax, in no event shall the "selling price" be
7 less than the cost price to the serviceman of the tangible
8 personal property transferred. The selling price of each item
9 of tangible personal property transferred as an incident of a
10 sale of service may be shown as a distinct and separate item on
11 the serviceman's billing to the service customer. If the
12 selling price is not so shown, the selling price of the
13 tangible personal property is deemed to be 50% of the
14 serviceman's entire billing to the service customer. When,
15 however, a serviceman contracts to design, develop, and produce
16 special order machinery or equipment, the tax imposed by this
17 Act shall be based on the serviceman's cost price of the
18 tangible personal property transferred incident to the
19 completion of the contract.

20 Beginning on July 1, 2000 and through December 31, 2000 and
21 beginning again on July 1, 2012 and through December 31, 2012,
22 with respect to motor fuel, as defined in Section 1.1 of the
23 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
24 the Use Tax Act, the tax is imposed at the rate of 1.25%.

25 With respect to gasohol, as defined in the Use Tax Act, the
26 tax imposed by this Act shall apply to (i) 70% of the cost

1 price of property transferred as an incident to the sale of
2 service on or after January 1, 1990, and before July 1, 2003,
3 (ii) 80% of the selling price of property transferred as an
4 incident to the sale of service on or after July 1, 2003 and on
5 or before December 31, 2013, and (iii) 100% of the cost price
6 thereafter. If, at any time, however, the tax under this Act on
7 sales of gasohol, as defined in the Use Tax Act, is imposed at
8 the rate of 1.25%, then the tax imposed by this Act applies to
9 100% of the proceeds of sales of gasohol made during that time.

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

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

1 and no more than 10% biodiesel made during that time.

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

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

20 The tax shall be imposed at the rate of 1% on food prepared
21 for immediate consumption and transferred incident to a sale of
22 service subject to this Act or the Service Occupation Tax Act
23 by an entity licensed under the Hospital Licensing Act, the
24 Nursing Home Care Act, the ID/DD Community Care Act, the
25 Specialized Mental Health Rehabilitation Act, or the Child Care
26 Act of 1969. The tax shall also be imposed at the rate of 1% on

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

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "soft drinks" means non-alcoholic
23 beverages that contain natural or artificial sweeteners. "Soft
24 drinks" do not include beverages that contain milk or milk
25 products, soy, rice or similar milk substitutes, or greater
26 than 50% of vegetable or fruit juice by volume.

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

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

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "nonprescription medicines and
24 drugs" does not include grooming and hygiene products. For
25 purposes of this Section, "grooming and hygiene products"
26 includes, but is not limited to, soaps and cleaning solutions,

1 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
2 lotions and screens, unless those products are available by
3 prescription only, regardless of whether the products meet the
4 definition of "over-the-counter-drugs". For the purposes of
5 this paragraph, "over-the-counter-drug" means a drug for human
6 use that contains a label that identifies the product as a drug
7 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
8 label includes:

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

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

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

16 (Text of Section after amendment by P.A. 97-636)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this
18 Section, the tax imposed by this Act is at the rate of 6.25% of
19 the "selling price", as defined in Section 2 of the Service Use
20 Tax Act, of the tangible personal property. For the purpose of
21 computing this tax, in no event shall the "selling price" be
22 less than the cost price to the serviceman of the tangible
23 personal property transferred. The selling price of each item
24 of tangible personal property transferred as an incident of a
25 sale of service may be shown as a distinct and separate item on

1 the serviceman's billing to the service customer. If the
2 selling price is not so shown, the selling price of the
3 tangible personal property is deemed to be 50% of the
4 serviceman's entire billing to the service customer. When,
5 however, a serviceman contracts to design, develop, and produce
6 special order machinery or equipment, the tax imposed by this
7 Act shall be based on the serviceman's cost price of the
8 tangible personal property transferred incident to the
9 completion of the contract.

10 Beginning on July 1, 2000 and through December 31, 2000 and
11 beginning again on July 1, 2012 and through December 31, 2012,
12 with respect to motor fuel, as defined in Section 1.1 of the
13 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
14 the Use Tax Act, the tax is imposed at the rate of 1.25%.

15 With respect to gasohol, as defined in the Use Tax Act, the
16 tax imposed by this Act shall apply to (i) 70% of the cost
17 price of property transferred as an incident to the sale of
18 service on or after January 1, 1990, and before July 1, 2003,
19 (ii) 80% of the selling price of property transferred as an
20 incident to the sale of service on or after July 1, 2003 and on
21 or before December 31, 2018, and (iii) 100% of the cost price
22 thereafter. If, at any time, however, the tax under this Act on
23 sales of gasohol, as defined in the Use Tax Act, is imposed at
24 the rate of 1.25%, then the tax imposed by this Act applies to
25 100% of the proceeds of sales of gasohol made during that time.

26 With respect to majority blended ethanol fuel, as defined

1 in the Use Tax Act, the tax imposed by this Act does not apply
2 to the selling price of property transferred as an incident to
3 the sale of service on or after July 1, 2003 and on or before
4 December 31, 2018 but applies to 100% of the selling price
5 thereafter.

6 With respect to biodiesel blends, as defined in the Use Tax
7 Act, with no less than 1% and no more than 10% biodiesel, the
8 tax imposed by this Act applies to (i) 80% of the selling price
9 of property transferred as an incident to the sale of service
10 on or after July 1, 2003 and on or before December 31, 2018 and
11 (ii) 100% of the proceeds of the selling price thereafter. If,
12 at any time, however, the tax under this Act on sales of
13 biodiesel blends, as defined in the Use Tax Act, with no less
14 than 1% and no more than 10% biodiesel is imposed at the rate
15 of 1.25%, then the tax imposed by this Act applies to 100% of
16 the proceeds of sales of biodiesel blends with no less than 1%
17 and no more than 10% biodiesel made during that time.

18 With respect to 100% biodiesel, as defined in the Use Tax
19 Act, and biodiesel blends, as defined in the Use Tax Act, with
20 more than 10% but no more than 99% biodiesel material, the tax
21 imposed by this Act does not apply to the proceeds of the
22 selling price of property transferred as an incident to the
23 sale of service on or after July 1, 2003 and on or before
24 December 31, 2018 but applies to 100% of the selling price
25 thereafter.

26 At the election of any registered serviceman made for each

1 fiscal year, sales of service in which the aggregate annual
2 cost price of tangible personal property transferred as an
3 incident to the sales of service is less than 35%, or 75% in
4 the case of servicemen transferring prescription drugs or
5 servicemen engaged in graphic arts production, of the aggregate
6 annual total gross receipts from all sales of service, the tax
7 imposed by this Act shall be based on the serviceman's cost
8 price of the tangible personal property transferred incident to
9 the sale of those services.

10 The tax shall be imposed at the rate of 1% on food prepared
11 for immediate consumption and transferred incident to a sale of
12 service subject to this Act or the Service Occupation Tax Act
13 by an entity licensed under the Hospital Licensing Act, the
14 Nursing Home Care Act, the ID/DD Community Care Act, the
15 Specialized Mental Health Rehabilitation Act, or the Child Care
16 Act of 1969. The tax shall also be imposed at the rate of 1% on
17 food for human consumption that is to be consumed off the
18 premises where it is sold (other than alcoholic beverages, soft
19 drinks, and food that has been prepared for immediate
20 consumption and is not otherwise included in this paragraph)
21 and prescription and nonprescription medicines, drugs, medical
22 appliances, modifications to a motor vehicle for the purpose of
23 rendering it usable by a disabled person, and insulin, urine
24 testing materials, syringes, and needles used by diabetics, for
25 human use. For the purposes of this Section, until September 1,
26 2009: the term "soft drinks" means any complete, finished,

1 ready-to-use, non-alcoholic drink, whether carbonated or not,
2 including but not limited to soda water, cola, fruit juice,
3 vegetable juice, carbonated water, and all other preparations
4 commonly known as soft drinks of whatever kind or description
5 that are contained in any closed or sealed can, carton, or
6 container, regardless of size; but "soft drinks" does not
7 include coffee, tea, non-carbonated water, infant formula,
8 milk or milk products as defined in the Grade A Pasteurized
9 Milk and Milk Products Act, or drinks containing 50% or more
10 natural fruit or vegetable 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 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
4 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
5 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

6 Section 25. The Retailers' Occupation Tax Act is amended by
7 changing Section 2-10 as follows:

8 (35 ILCS 120/2-10)

9 (Text of Section before amendment by P.A. 97-636)

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

14 Beginning on July 1, 2000 and through December 31, 2000 and
15 beginning again on July 1, 2012 and through December 31, 2012,
16 with respect to motor fuel, as defined in Section 1.1 of the
17 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
18 the Use Tax Act, the tax is imposed at the rate of 1.25%.

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

22 Within 14 days after the effective date of this amendatory
23 Act of the 91st General Assembly, each retailer of motor fuel
24 and gasohol shall cause the following notice to be posted in a

1 prominently visible place on each retail dispensing device that
2 is used to dispense motor fuel or gasohol in the State of
3 Illinois: "As of July 1, 2000, the State of Illinois has
4 eliminated the State's share of sales tax on motor fuel and
5 gasohol through December 31, 2000. The price on this pump
6 should reflect the elimination of the tax." The notice shall be
7 printed in bold print on a sign that is no smaller than 4
8 inches by 8 inches. The sign shall be clearly visible to
9 customers. Any retailer who fails to post or maintain a
10 required sign through December 31, 2000 is guilty of a petty
11 offense for which the fine shall be \$500 per day per each
12 retail premises where a violation occurs.

13 Within 14 days after the effective date of this amendatory
14 Act of the 97th General Assembly, each retailer of motor fuel
15 and gasohol shall cause the following notice to be posted in a
16 prominently visible place on each retail dispensing device that
17 is used to dispense motor fuel or gasohol in the State of
18 Illinois: "As of July 1, 2012, the State of Illinois has
19 eliminated the State's share of sales tax on motor fuel and
20 gasohol through December 31, 2012. The price on this pump
21 should reflect the elimination of the tax." The notice shall be
22 printed in bold print on a sign that is no smaller than 4
23 inches by 8 inches. The sign shall be clearly visible to
24 customers. Any retailer who fails to post or maintain a
25 required sign through December 31, 2012 is guilty of a petty
26 offense for which the fine shall be \$500 per day per each

1 retail premises where a violation occurs.

2 With respect to gasohol, as defined in the Use Tax Act, the
3 tax imposed by this Act applies to (i) 70% of the proceeds of
4 sales made on or after January 1, 1990, and before July 1,
5 2003, (ii) 80% of the proceeds of sales made on or after July
6 1, 2003 and on or before December 31, 2013, and (iii) 100% of
7 the proceeds of sales made thereafter. If, at any time,
8 however, the tax under this Act on sales of gasohol, as defined
9 in the Use Tax Act, is imposed at the rate of 1.25%, then the
10 tax imposed by this Act applies to 100% of the proceeds of
11 sales of gasohol made during that time.

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

17 With respect to biodiesel blends, as defined in the Use Tax
18 Act, with no less than 1% and no more than 10% biodiesel, the
19 tax imposed by this Act applies to (i) 80% of the proceeds of
20 sales made on or after July 1, 2003 and on or before December
21 31, 2013 and (ii) 100% of the proceeds of sales made
22 thereafter. If, at any time, however, the tax under this Act on
23 sales of biodiesel blends, as defined in the Use Tax Act, with
24 no less than 1% and no more than 10% biodiesel is imposed at
25 the rate of 1.25%, then the tax imposed by this Act applies to
26 100% of the proceeds of sales of biodiesel blends with no less

1 than 1% and no more than 10% biodiesel made during that time.

2 With respect to 100% biodiesel, as defined in the Use Tax
3 Act, and biodiesel blends, as defined in the Use Tax Act, with
4 more than 10% but no more than 99% biodiesel, the tax imposed
5 by this Act does not apply to the proceeds of sales made on or
6 after July 1, 2003 and on or before December 31, 2013 but
7 applies to 100% of the proceeds of sales made thereafter.

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

1 or drinks containing 50% or more natural fruit or vegetable
2 juice.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "soft drinks" means non-alcoholic
5 beverages that contain natural or artificial sweeteners. "Soft
6 drinks" do not include beverages that contain milk or milk
7 products, soy, rice or similar milk substitutes, or greater
8 than 50% of vegetable or fruit juice by volume.

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

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "food for human consumption that
23 is to be consumed off the premises where it is sold" does not
24 include candy. For purposes of this Section, "candy" means a
25 preparation of sugar, honey, or other natural or artificial
26 sweeteners in combination with chocolate, fruits, nuts or other

1 ingredients or flavorings in the form of bars, drops, or
2 pieces. "Candy" does not include any preparation that contains
3 flour or requires refrigeration.

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

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

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

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 (Text of Section after amendment by P.A. 97-636)

24 Sec. 2-10. Rate of tax. Unless otherwise provided in this
25 Section, the tax imposed by this Act is at the rate of 6.25% of

1 gross receipts from sales of tangible personal property made in
2 the course of business.

3 Beginning on July 1, 2000 and through December 31, 2000 and
4 beginning again on July 1, 2012 and through December 31, 2012,
5 with respect to motor fuel, as defined in Section 1.1 of the
6 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
7 the Use Tax Act, the tax is imposed at the rate of 1.25%.

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

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

26 Within 14 days after the effective date of this amendatory

1 Act of the 97th General Assembly, each retailer of motor fuel
2 and gasohol shall cause the following notice to be posted in a
3 prominently visible place on each retail dispensing device that
4 is used to dispense motor fuel or gasohol in the State of
5 Illinois: "As of July 1, 2012, the State of Illinois has
6 eliminated the State's share of sales tax on motor fuel and
7 gasohol through December 31, 2012. The price on this pump
8 should reflect the elimination of the tax." The notice shall be
9 printed in bold print on a sign that is no smaller than 4
10 inches by 8 inches. The sign shall be clearly visible to
11 customers. Any retailer who fails to post or maintain a
12 required sign through December 31, 2012 is guilty of a petty
13 offense for which the fine shall be \$500 per day per each
14 retail premises where a violation occurs.

15 With respect to gasohol, as defined in the Use Tax Act, the
16 tax imposed by this Act applies to (i) 70% of the proceeds of
17 sales made on or after January 1, 1990, and before July 1,
18 2003, (ii) 80% of the proceeds of sales made on or after July
19 1, 2003 and on or before December 31, 2018, and (iii) 100% of
20 the proceeds of sales made thereafter. If, at any time,
21 however, the tax under this Act on sales of gasohol, as defined
22 in the Use Tax Act, is imposed at the rate of 1.25%, then the
23 tax imposed by this Act applies to 100% of the proceeds of
24 sales of gasohol made during that time.

25 With respect to majority blended ethanol fuel, as defined
26 in the Use Tax Act, the tax imposed by this Act does not apply

1 to the proceeds of sales made on or after July 1, 2003 and on or
2 before December 31, 2018 but applies to 100% of the proceeds of
3 sales made thereafter.

4 With respect to biodiesel blends, as defined in the Use Tax
5 Act, with no less than 1% and no more than 10% biodiesel, the
6 tax imposed by this Act applies to (i) 80% of the proceeds of
7 sales made on or after July 1, 2003 and on or before December
8 31, 2018 and (ii) 100% of the proceeds of sales made
9 thereafter. If, at any time, however, the tax under this Act on
10 sales of biodiesel blends, as defined in the Use Tax Act, with
11 no less than 1% and no more than 10% biodiesel is imposed at
12 the rate of 1.25%, then the tax imposed by this Act applies to
13 100% of the proceeds of sales of biodiesel blends with no less
14 than 1% and no more than 10% biodiesel made during that time.

15 With respect to 100% biodiesel, as defined in the Use Tax
16 Act, and biodiesel blends, as defined in the Use Tax Act, with
17 more than 10% but no more than 99% biodiesel, the tax imposed
18 by this Act does not apply to the proceeds of sales made on or
19 after July 1, 2003 and on or before December 31, 2018 but
20 applies to 100% of the proceeds of sales made thereafter.

21 With respect to food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, soft drinks, and food that has been
24 prepared for immediate consumption) and prescription and
25 nonprescription medicines, drugs, medical appliances,
26 modifications to a motor vehicle for the purpose of rendering

1 it usable by a disabled person, and insulin, urine testing
2 materials, syringes, and needles used by diabetics, for human
3 use, the tax is imposed at the rate of 1%. For the purposes of
4 this Section, until September 1, 2009: the term "soft drinks"
5 means any complete, finished, ready-to-use, non-alcoholic
6 drink, whether carbonated or not, including but not limited to
7 soda water, cola, fruit juice, vegetable juice, carbonated
8 water, and all other preparations commonly known as soft drinks
9 of whatever kind or description that are contained in any
10 closed or sealed bottle, can, carton, or container, regardless
11 of size; but "soft drinks" does not include coffee, tea,
12 non-carbonated water, infant formula, milk or milk products as
13 defined in the Grade A Pasteurized Milk and Milk Products Act,
14 or drinks containing 50% or more natural fruit or vegetable
15 juice.

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

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

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

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

17 Notwithstanding any other provisions of this Act,
18 beginning September 1, 2009, "nonprescription medicines and
19 drugs" does not include grooming and hygiene products. For
20 purposes of this Section, "grooming and hygiene products"
21 includes, but is not limited to, soaps and cleaning solutions,
22 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
23 lotions and screens, unless those products are available by
24 prescription only, regardless of whether the products meet the
25 definition of "over-the-counter-drugs". For the purposes of
26 this paragraph, "over-the-counter-drug" means a drug for human

1 use that contains a label that identifies the product as a drug
2 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
3 label includes:

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

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

8 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
9 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
10 97-636, eff. 6-1-12.)

11 Section 95. No acceleration or delay. Where this Act makes
12 changes in a statute that is represented in this Act by text
13 that is not yet or no longer in effect (for example, a Section
14 represented by multiple versions), the use of that text does
15 not accelerate or delay the taking effect of (i) the changes
16 made by this Act or (ii) provisions derived from any other
17 Public Act.

18 Section 99. Effective date. This Act takes effect upon
19 becoming law.