



Sen. John J. Cullerton

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09700SB1322sam001

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1 AMENDMENT TO SENATE BILL 1322

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 1322 by replacing  
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the  
5 Capital Projects Revenue Act.

6 Section 2. Findings; reenactment; base text; validation;  
7 fees and taxes.

8 (a) The General Assembly finds and declares that:

9 (1) Public Act 96-34 creates a new capital development  
10 program for Illinois. Among other provisions, P.A. 96-34  
11 includes several means of generating portions of the  
12 funding to be used for the new capital development program,  
13 including authorizing video gaming, making changes to the  
14 Illinois Lottery, and imposing or increasing certain fees  
15 and taxes. Section 9999 of P.A. 96-34 contains a provision  
16 making the entire Act contingent upon House Bill 312 of the

1           96th General Assembly becoming law; that Bill became Public  
2 Act 96-35.

3           (2) Public Act 96-38 is a trailer bill that is  
4 contingent upon and makes changes in the provisions of P.A.  
5 96-34.

6           (3) Public Act 96-37 is a Budget Implementation Act  
7 (BIMP) that makes changes in State programs that are  
8 necessary to implement the Governor's Fiscal Year 2010  
9 budget recommendations concerning capital programs. Some,  
10 but not all, of the BIMP consists of trailer amendments and  
11 other provisions relating to and contingent upon the new  
12 capital development program created in P.A. 96-34.

13           (4) Public Act 96-35 provides appropriations for  
14 projects provided by P.A. 96-34 and the BIMP. Section 99  
15 contains a provision making the entire Act contingent upon  
16 Senate Bill 255 of the 96th General Assembly becoming law;  
17 that Bill became Public Act 96-34.

18           (5) Public Acts 96-34, 96-37, and 96-38 are all  
19 intended to relate to the subject of capital programs. The  
20 new capital development program created in P.A. 96-34, as  
21 subsequently amended, is intended primarily to provide  
22 authorization and funding for the construction,  
23 improvement, and maintenance of public infrastructure.  
24 Capital programs and their sources of funding are hereby  
25 declared to be of vital concern to the people of this  
26 State, and necessary for the public health, safety and

1 welfare.

2 (6) On January 26, 2011, the First District Appellate  
3 Court, in *Wirtz v. Quinn* (Nos. 1-09-3163 and 1-10-0344),  
4 found that Public Act 96-34 violates the single subject  
5 rule of Article IV, Section 8 of the Illinois Constitution,  
6 and is therefore void in its entirety. It also found that  
7 Public Acts 96-35, 96-37, and 96-38 "are all contingent on  
8 the enactment of Public Act 96-34", and therefore "cannot  
9 stand". As of the date this Act was prepared, enforcement  
10 of the decision in *Wirtz v. Quinn* had been stayed by the  
11 Illinois Supreme Court pending appeal.

12 (b) This Act reenacts certain provisions of Public Acts  
13 96-34, 96-37, and 96-38 relating to revenues for capital  
14 projects, including provisions in the Illinois Lottery Law, the  
15 Use Tax Act, the Service Use Tax Act, the Service Occupation  
16 Tax Act, the Retailers' Occupation Tax Act, the Illinois  
17 Vehicle Code, and the Criminal Code of 1961. It also includes  
18 additional changes in the Illinois Lottery Law. This Act does  
19 not reenact the Video Gaming Act, and does not include any of  
20 the 3 provisions that the Appellate Court specifically  
21 identified in *Wirtz v. Quinn* as violating the single subject  
22 requirement.

23 This Act is intended to remove any question about the  
24 validity of the reenacted provisions and actions taken in  
25 reliance on them, and to provide continuity in the  
26 implementation and administration of those provisions.

1 Notwithstanding Section 9999 of Public Act 96-34, this  
2 reenactment is not contingent upon House Bill 312 of the 96th  
3 General Assembly (now P.A. 96-35), or any other bill, becoming  
4 law. This reenactment is not intended, and shall not be  
5 construed, to imply that all or any portion of P.A. 96-34,  
6 96-35, 96-37, or 96-38 is invalid.

7 (c) The text of the reenacted material, including any  
8 existing amendments, is shown in this Act as existing text;  
9 striking and underscoring have been used only to indicate new  
10 changes being made to the reenacted text by this Act.

11 (d) All otherwise lawful actions taken before the effective  
12 date of this Act in reasonable reliance on or pursuant to the  
13 provisions reenacted by this Act (as those provisions were set  
14 forth in Public Act 96-34, 96-37, or 96-38 or had been  
15 otherwise amended at the relevant time) by any officer,  
16 employee, agency, or unit of State or local government or by  
17 any other person or entity are hereby validated.

18 With respect to actions taken before the effective date of  
19 this Act in relation to matters arising under the provisions  
20 reenacted by this Act, a person is rebuttably presumed to have  
21 acted in reasonable reliance on or pursuant to those  
22 provisions, as they had been amended at the relevant time.

23 (e) The taxes and fees imposed or changed by this  
24 reenactment are specifically intended to be retroactive to July  
25 13, 2009 (the apparent effective date of Public Act 96-34), or  
26 the date otherwise specified in the reenacted provision,

1 whichever is later, and the amounts of taxes and fees collected  
2 by the State before the effective date of this Act under the  
3 apparent authority of the reenacted provisions shall be  
4 retained by the State in payment of the corresponding taxes and  
5 fees retroactively imposed by this reenactment. This  
6 reenactment, however, does not and shall not be construed to  
7 require the double payment of any such reenacted tax or fee.

8 Section 5. The Illinois Lottery Law is amended by  
9 reenacting Sections 2, 7.15, and 7.16, by changing Sections 4,  
10 5, 6, 7.1, 7.6, 7.11, 10, 10.1, 10.1a, 10.2, 10.6, 10.7, 10.8,  
11 12, 13, 14, 14.3, 19, 20, 20.1, 21, 21.5, 21.6, 21.7, 21.8, and  
12 27, by changing and reenacting Sections 3, 7.12, 9, and 9.1,  
13 and by adding Section 29 as follows:

14 (20 ILCS 1605/2) (from Ch. 120, par. 1152)

15 Sec. 2. This Act is enacted to implement and establish  
16 within the State a lottery to be conducted by the State through  
17 the Department. The entire net proceeds of the Lottery are to  
18 be used for the support of the State's Common School Fund,  
19 except as provided in subsection (o) of Section 9.1 and  
20 Sections 21.2, 21.5, 21.6, 21.7, and 21.8. The General Assembly  
21 finds that it is in the public interest for the Department to  
22 conduct the functions of the Lottery with the assistance of a  
23 private manager under a management agreement overseen by the  
24 Department. The Department shall be accountable to the General

1 Assembly and the people of the State through a comprehensive  
2 system of regulation, audits, reports, and enduring  
3 operational oversight. The Department's ongoing conduct of the  
4 Lottery through a management agreement with a private manager  
5 shall act to promote and ensure the integrity, security,  
6 honesty, and fairness of the Lottery's operation and  
7 administration. It is the intent of the General Assembly that  
8 the Department shall conduct the Lottery with the assistance of  
9 a private manager under a management agreement at all times in  
10 a manner consistent with 18 U.S.C. 1307(a)(1), 1307(b)(1),  
11 1953(b)(4).

12 (Source: P.A. 95-331, eff. 8-21-07; 95-673, eff. 10-11-07;  
13 95-674, eff. 10-11-07; 95-876, eff. 8-21-08; 96-34, eff.  
14 7-13-09.)

15 (20 ILCS 1605/3) (from Ch. 120, par. 1153)

16 Sec. 3. For the purposes of this Act:

17 a. "Lottery" or "State Lottery" means the lottery or  
18 lotteries established and operated pursuant to this Act.

19 b. "Board" means the Lottery Control Board created by this  
20 Act.

21 c. "Department" means the Department of the Lottery  
22 Revenue.

23 d. (Blank). ~~"Director" means the Director of Revenue.~~

24 e. "Chairman" means the Chairman of the Lottery Control  
25 Board.

1 f. "Multi-state game directors" means such persons,  
2 including the Superintendent, as may be designated by an  
3 agreement between the Department ~~Division~~ and one or more  
4 additional lotteries operated under the laws of another state  
5 or states.

6 g. (Blank). ~~"Division" means the Division of the State~~  
7 ~~Lottery of the Department of Revenue.~~

8 h. "Superintendent" means the Superintendent of the  
9 Department ~~Division~~ of the ~~State Lottery of the Department of~~  
10 ~~Revenue.~~

11 i. "Management agreement" means an agreement or contract  
12 between the Department on behalf of the State with a private  
13 manager, as an independent contractor, whereby the private  
14 manager provides management services to the Lottery in exchange  
15 for compensation that may consist of, among other things, a fee  
16 for services and a performance-based bonus of no more than 5%  
17 of Lottery profits so long as the Department continues to  
18 exercise actual control over all significant business  
19 decisions made by the private manager as set forth in Section  
20 9.1.

21 j. "Person" means any individual, firm, association, joint  
22 venture, partnership, estate, trust, syndicate, fiduciary,  
23 corporation, or other legal entity, group, or combination.

24 k. "Private manager" means a person that provides  
25 management services to the Lottery on behalf of the Department  
26 under a management agreement.

1           1. "Profits" means total revenues accruing from the sale of  
2 lottery tickets or shares and related proceeds minus (1) the  
3 payment of prizes and retailer bonuses and (2) the payment of  
4 costs incurred in the operation and administration of the  
5 lottery, excluding costs of services directly rendered by a  
6 private manager.

7           m. "Chief Procurement Officer" means the Chief Procurement  
8 Officer provided for under paragraph (4) of subsection (a) of  
9 Section 10-20 of the Illinois Procurement Code.

10           (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840,  
11 eff. 12-23-09.)

12           (20 ILCS 1605/4) (from Ch. 120, par. 1154)

13           Sec. 4. The Department of the Lottery is established to  
14 implement and regulate the State Lottery in the manner provided  
15 in this Act.

16           ~~In accordance with Executive Order No. 9 (2003), the~~  
17 ~~Division of the State Lottery is established within the~~  
18 ~~Department of Revenue. Unless otherwise provided by law, the~~  
19 ~~Division of the State Lottery shall be subject to and governed~~  
20 ~~by all of the laws and rules applicable to the Department.~~

21           (Source: P.A. 94-776, eff. 5-19-06.)

22           (20 ILCS 1605/5) (from Ch. 120, par. 1155)

23           Sec. 5. (a) The Department ~~Division~~ shall be under the  
24 supervision and direction of a Superintendent, who shall be a



1 person qualified by training and experience to perform the  
2 duties required by this Act. The Superintendent shall be  
3 appointed by the Governor, by and with the advice and consent  
4 of the Senate. The term of office of the Superintendent shall  
5 expire on the third Monday of January in odd numbered years  
6 provided that he or she shall hold office until a successor is  
7 appointed and qualified.

8 Any vacancy occurring in the office of the Superintendent  
9 shall be filled in the same manner as the original appointment.  
10 In case of a vacancy during the recess of the Senate, the  
11 Governor shall make a temporary appointment until the next  
12 meeting of the Senate, when the Governor shall nominate some  
13 person to fill the office, and any person so nominated who is  
14 confirmed by the Senate shall hold office during the remainder  
15 of the term and until his or her successor is appointed and  
16 qualified.

17 (b) The Superintendent shall devote his or her entire time  
18 and attention to the duties of the office and shall not be  
19 engaged in any other profession or occupation. The  
20 Superintendent shall receive such salary as shall be provided  
21 by law. The Superintendent shall:

22 (1) be qualified by training and experience to direct a  
23 lottery, including, at a minimum, 5 years of senior  
24 executive-level experience in the successful advertising,  
25 marketing, and selling of consumer products or 5 years of  
26 successful experience directing a lottery on behalf of a

1 governmental entity;

2 (2) have significant and meaningful management and  
3 regulatory experience; and

4 (3) have a good reputation, particularly as a person of  
5 honesty, independence, and integrity.

6 The Superintendent shall not during his or her term of  
7 appointment: become a candidate for any elective office; hold  
8 any other elected or appointed public office; be actively  
9 involved in the affairs of any political party or political  
10 organization; advocate for the appointment of another person to  
11 an appointed or elected office or position; or actively  
12 participate in any campaign for any elective office. The  
13 Superintendent may be appointed to serve on a governmental  
14 advisory or board study commission or as otherwise expressly  
15 authorized by law.

16 (c) The private manager is hereby forbidden to offer any  
17 gift, gratuity, emolument or employment during the term of the  
18 management agreement to any person who serves as Superintendent  
19 or has served as Superintendent before, on, or after the  
20 effective date of this amendatory Act of the 97th General  
21 Assembly. The prohibition contained in this subsection (c)  
22 constitutes a material term and condition of the management  
23 agreement. Any violation of this term and condition shall  
24 constitute a material breach of the management agreement and  
25 may be immediately voided by the Chief Procurement Officer  
26 appointed pursuant to subsection (a) of Section 10-20 of the

1 Procurement Code, subject to the approval of the Executive  
2 Ethics Commission.

3 (d) No person shall perform the duties and functions of the  
4 Superintendent, or otherwise exercise the authority of the  
5 Superintendent, unless the same shall have been appointed by  
6 the Governor pursuant to this Section.

7 (Source: P.A. 94-776, eff. 5-19-06.)

8 (20 ILCS 1605/6) (from Ch. 120, par. 1156)

9 Sec. 6. There is hereby created an independent board to be  
10 known as the Lottery Control Board, consisting of 5 members,  
11 all of whom shall be citizens of the United States and  
12 residents of this State and shall be appointed by the Governor  
13 with the advice and consent of the Senate. No more than 3 of  
14 the 5 members shall be members of the same political party. A  
15 chairman of the Board shall be chosen annually from the  
16 membership of the Board by a majority of the members of the  
17 Board at the first meeting of the Board each fiscal year.

18 Initial members shall be appointed to the Board by the  
19 Governor as follows: one member to serve until July 1, 1974,  
20 and until his successor is appointed and qualified; 2 members  
21 to serve until July 1, 1975, and until their successors are  
22 appointed and qualified; 2 members to serve until July 1, 1976,  
23 and until their successors are appointed and qualified. As  
24 terms of members so appointed expire, their successors shall be  
25 appointed for terms to expire the first day in July 3 years

1 thereafter, and until their successors are appointed and  
2 qualified.

3 Any vacancy in the Board occurring for any reason other  
4 than expiration of term, shall be filled for the unexpired term  
5 in the same manner as the original appointment.

6 Any member of the Board may be removed by the Governor for  
7 neglect of duty, misfeasance, malfeasance, or nonfeasance in  
8 office.

9 Board members shall receive as compensation for their  
10 services \$100 for each day they are in attendance at any  
11 official board meeting, but in no event shall members receive  
12 more than \$1,200 per year. They shall receive no other  
13 compensation for their services, but shall be reimbursed for  
14 necessary traveling and other reasonable expenses incurred in  
15 the performance of their official duties. Each member shall  
16 make a full financial disclosure upon appointment.

17 The Board shall hold at least one meeting each quarter of  
18 the fiscal year. In addition, special meetings may be called by  
19 the Chairman, any 2 Board members, or the Superintendent  
20 ~~Director~~ of the Department, upon delivery of 72 hours' written  
21 notice to the office of each member. All Board meetings shall  
22 be open to the public pursuant to the Open Meetings Act.

23 Three members of the Board shall constitute a quorum, and 3  
24 votes shall be required for any final determination by the  
25 Board. The Board shall keep a complete and accurate record of  
26 all its meetings.

1 (Source: P.A. 84-1128.)

2 (20 ILCS 1605/7.1) (from Ch. 120, par. 1157.1)

3 Sec. 7.1. The Department shall promulgate such rules and  
4 regulations governing the establishment and operation of a  
5 State lottery as it deems necessary to carry out the purposes  
6 of this Act. Such rules and regulations shall be subject to the  
7 provisions of The Illinois Administrative Procedure Act. The  
8 Department ~~Division~~ shall issue written game rules, play  
9 instructions, directives, operations manuals, brochures, or  
10 any other publications necessary to conduct specific games, as  
11 authorized by rule by the Department. Any written game rules,  
12 play instructions, directives, operations manuals, brochures,  
13 or other game publications issued by the Department ~~Division~~  
14 that relate to a specific lottery game shall be maintained as a  
15 public record in the Department's ~~Division's~~ principal office,  
16 and made available for public inspection and copying but shall  
17 be exempt from the rulemaking procedures of the Illinois  
18 Administrative Procedure Act. However, when such written  
19 materials contain any policy of general applicability, the  
20 Department ~~Division~~ shall formulate and adopt such policy as a  
21 rule in accordance with the provisions of the Illinois  
22 Administrative Procedure Act. In addition, the Department  
23 ~~Division~~ shall publish each January in the Illinois Register a  
24 list of all game-specific rules, play instructions,  
25 directives, operations manuals, brochures, or other

1 game-specific publications issued by the Department ~~Division~~  
2 during the previous year and instructions concerning how the  
3 public may obtain copies of these materials from the Department  
4 ~~Division~~.

5 (Source: P.A. 94-776, eff. 5-19-06.)

6 (20 ILCS 1605/7.6) (from Ch. 120, par. 1157.6)

7 Sec. 7.6. The Board shall advise and make recommendations  
8 to the Superintendent ~~or the Director~~ regarding the functions  
9 and operations of the State Lottery. A copy of all such  
10 recommendations shall also be forwarded to the Governor, the  
11 Attorney General, the Speaker of the House, the President of  
12 the Senate and the minority leaders of both houses.

13 (Source: P.A. 94-776, eff. 5-19-06.)

14 (20 ILCS 1605/7.11) (from Ch. 120, par. 1157.11)

15 Sec. 7.11. The Department ~~Division~~ may establish and  
16 collect nominal charges for promotional products ("premiums")  
17 and other promotional materials produced or acquired by the  
18 Department ~~Division~~ as part of its advertising and promotion  
19 activities. Such premiums or other promotional materials may be  
20 sold to individuals, government agencies and not-for-profit  
21 organizations, but not to for-profit enterprises for the  
22 purpose of resale. Other State agencies shall be charged no  
23 more than the cost to the Department ~~Division~~ of the premium or  
24 promotional material. All proceeds from the sale of premiums or

1 promotional materials shall be deposited in the State Lottery  
2 Fund in the State Treasury.

3 (Source: P.A. 94-776, eff. 5-19-06.)

4 (20 ILCS 1605/7.12)

5 Sec. 7.12. Internet pilot program. The General Assembly  
6 finds that:

7 (1) the consumer market in Illinois has changed since  
8 the creation of the Illinois State Lottery in 1974;

9 (2) the Internet has become an integral part of  
10 everyday life for a significant number of Illinois  
11 residents not only in regards to their professional life,  
12 but also in regards to personal business and communication;  
13 and

14 (3) the current practices of selling lottery tickets  
15 does not appeal to the new form of market participants who  
16 prefer to make purchases on the internet at their own  
17 convenience.

18 It is the intent of the General Assembly to create an  
19 Internet pilot program for the sale of lottery tickets to  
20 capture this new form of market participant.

21 The Department shall create a pilot program that allows an  
22 individual 18 years of age or older to purchase lottery tickets  
23 or shares on the Internet without using a Lottery retailer with  
24 on-line status, as those terms are defined by rule. The  
25 Department shall restrict the sale of lottery tickets on the

1 Internet to transactions initiated and received or otherwise  
2 made exclusively within the State of Illinois. The Department  
3 shall adopt rules necessary for the administration of this  
4 program. These rules shall include requirements for marketing  
5 of the Lottery to infrequent players. The provisions of this  
6 Act and the rules adopted under this Act shall apply to the  
7 sale of lottery tickets or shares under this program.

8 Before beginning the pilot program, the Department of the  
9 Lottery Revenue must submit a request to the United States  
10 Department of Justice for review of the State's plan to  
11 implement a pilot program for the sale of lottery tickets on  
12 the Internet and its propriety under federal law. The  
13 Department shall implement the Internet pilot program only if  
14 the Department of Justice does not object to the implementation  
15 of the program within a reasonable period of time after its  
16 review.

17 The Department is obligated to implement the pilot program  
18 set forth in this Section and Sections 7.15 and 7.16 only at  
19 such time, and to such extent, that the Department of Justice  
20 does not object to the implementation of the program within a  
21 reasonable period of time after its review. While the Illinois  
22 Lottery may only offer Lotto and Mega Millions games through  
23 the pilot program, the Department shall request review from the  
24 federal Department of Justice for the Illinois Lottery to sell  
25 lottery tickets on the Internet on behalf of the State of  
26 Illinois that are not limited to just these games.



1           The Department shall authorize the private manager to  
2           implement and administer the program pursuant to the management  
3           agreement entered into under Section 9.1 and in a manner  
4           consistent with the provisions of this Section. If a private  
5           manager has not been selected pursuant to Section 9.1 at the  
6           time the Department is obligated to implement the pilot  
7           program, then the Department shall not proceed with the pilot  
8           program until after the selection of the private manager, at  
9           which time the Department shall authorize the private manager  
10          to implement and administer the program pursuant to the  
11          management agreement entered into under Section 9.1 and in a  
12          manner consistent with the provisions of this Section.

13          The pilot program shall last for not less than 36 months,  
14          but not more than 48 months from the date of its initial  
15          operation.

16          Nothing in this Section shall be construed as prohibiting  
17          the Department from implementing and operating a website portal  
18          whereby individuals who are 18 years of age or older with an  
19          Illinois mailing address may apply to purchase lottery tickets  
20          via subscription.

21          (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840,  
22          eff. 12-23-09.)

23                 (20 ILCS 1605/7.15)

24          Sec. 7.15. Verification for Internet program; security for  
25          Internet lottery accounts. The Department must establish a

1 procedure to verify that an individual is 18 years of age or  
2 older and that the sale of lottery tickets on the Internet is  
3 limited to transactions that are initiated and received or  
4 otherwise made exclusively within the State of Illinois, unless  
5 the federal Department of Justice indicates that it is legal  
6 for the transactions to originate in states other than  
7 Illinois. An individual must satisfy the verification  
8 procedure before he or she may establish one Internet lottery  
9 account and purchase lottery tickets or shares through the  
10 Internet pilot program. By rule, the Department shall establish  
11 funding procedures for Internet lottery accounts and shall  
12 provide a mechanism to prevent the unauthorized use of Internet  
13 lottery accounts. If any participant in the pilot program  
14 violates any provisions of this amendatory Act of the 96th  
15 General Assembly or rule established by the Department, the  
16 participant's winnings shall be forfeited. Such forfeited  
17 winnings shall be deposited in the Common School Fund.

18 (Source: P.A. 96-34, eff. 7-13-09; 96-840, eff. 12-23-09.)

19 (20 ILCS 1605/7.16)

20 Sec. 7.16. Voluntary self-exclusion program for Internet  
21 lottery sales. Any resident, or non-resident if allowed to  
22 participate in the pilot program, may voluntarily prohibit  
23 themselves from establishing an Internet lottery account. The  
24 Department shall incorporate the voluntary self-exclusion  
25 program for Internet lottery accounts into any existing

1 self-exclusion program that it operates on the effective date  
2 of this amendatory Act of the 96th General Assembly.

3 (Source: P.A. 96-34, eff. 7-13-09.)

4 (20 ILCS 1605/9) (from Ch. 120, par. 1159)

5 Sec. 9. The Superintendent, as administrative head of the  
6 Department ~~Division~~, shall direct and supervise all its  
7 administrative and technical activities ~~and shall report to the~~  
8 ~~Director~~. In addition to the duties imposed upon him elsewhere  
9 in this Act, it shall be the Superintendent's duty:

10 a. To supervise and administer the operation of the lottery  
11 in accordance with the provisions of this Act or such rules and  
12 regulations of the Department adopted thereunder.

13 b. To attend meetings of the Board or to appoint a designee  
14 to attend in his stead.

15 c. To employ and direct such personnel in accord with the  
16 Personnel Code, as may be necessary to carry out the purposes  
17 of this Act. ~~The Superintendent may, subject to the approval of~~  
18 ~~the Director, use the services, personnel, or facilities of the~~  
19 ~~Department~~. In addition, the Superintendent may by agreement  
20 secure such services as he or she may deem necessary from any  
21 other department, agency, or unit of the State government, and  
22 may employ and compensate such consultants and technical  
23 assistants as may be required and is otherwise permitted by  
24 law.

25 d. To license, in accordance with the provisions of

1 Sections 10 and 10.1 of this Act and the rules and regulations  
2 of the Department adopted thereunder, as agents to sell lottery  
3 tickets such persons as in his opinion will best serve the  
4 public convenience and promote the sale of tickets or shares.  
5 The Superintendent may require a bond from every licensed  
6 agent, in such amount as provided in the rules and regulations  
7 of the Department. Every licensed agent shall prominently  
8 display his license, or a copy thereof, as provided in the  
9 rules and regulations of the Department.

10 e. To suspend or revoke any license issued pursuant to this  
11 Act or the rules and regulations promulgated by the Department  
12 thereunder.

13 f. To confer regularly as necessary or desirable and not  
14 less than once every month with the Lottery Control Board on  
15 the operation and administration of the Lottery; to make  
16 available for inspection by the Board or any member of the  
17 Board, upon request, all books, records, files, and other  
18 information and documents of his office; to advise the Board  
19 and recommend such rules and regulations and such other matters  
20 as he deems necessary and advisable to improve the operation  
21 and administration of the lottery.

22 g. To enter into contracts for the operation of the  
23 lottery, or any part thereof, and into contracts for the  
24 promotion of the lottery on behalf of the Department with any  
25 person, firm or corporation, to perform any of the functions  
26 provided for in this Act or the rules and regulations

1 promulgated thereunder. The Department shall not expend State  
2 funds on a contractual basis for such functions unless those  
3 functions and expenditures are expressly authorized by the  
4 General Assembly.

5 h. To enter into an agreement or agreements with the  
6 management of state lotteries operated pursuant to the laws of  
7 other states for the purpose of creating and operating a  
8 multi-state lottery game wherein a separate and distinct prize  
9 pool would be combined to award larger prizes to the public  
10 than could be offered by the several state lotteries,  
11 individually. No tickets or shares offered in connection with a  
12 multi-state lottery game shall be sold within the State of  
13 Illinois, except those offered by and through the Department.  
14 No such agreement shall purport to pledge the full faith and  
15 credit of the State of Illinois, nor shall the Department  
16 expend State funds on a contractual basis in connection with  
17 any such game unless such expenditures are expressly authorized  
18 by the General Assembly, provided, however, that in the event  
19 of error or omission by the Illinois State Lottery in the  
20 conduct of the game, as determined by the multi-state game  
21 directors, the Department shall be authorized to pay a prize  
22 winner or winners the lesser of a disputed prize or \$1,000,000,  
23 any such payment to be made solely from funds appropriated for  
24 game prize purposes. The Department shall be authorized to  
25 share in the ordinary operating expenses of any such  
26 multi-state lottery game, from funds appropriated by the

1 General Assembly, and in the event the multi-state game control  
2 offices are physically located within the State of Illinois,  
3 the Department is authorized to advance start-up operating  
4 costs not to exceed \$150,000, subject to proportionate  
5 reimbursement of such costs by the other participating state  
6 lotteries. The Department shall be authorized to share  
7 proportionately in the costs of establishing a liability  
8 reserve fund from funds appropriated by the General Assembly.  
9 The Department is authorized to transfer prize award funds  
10 attributable to Illinois sales of multi-state lottery game  
11 tickets to the multi-state control office, or its designated  
12 depository, for deposit to such game pool account or accounts  
13 as may be established by the multi-state game directors, the  
14 records of which account or accounts shall be available at all  
15 times for inspection in an audit by the Auditor General of  
16 Illinois and any other auditors pursuant to the laws of the  
17 State of Illinois. No multi-state game prize awarded to a  
18 nonresident of Illinois, with respect to a ticket or share  
19 purchased in a state other than the State of Illinois, shall be  
20 deemed to be a prize awarded under this Act for the purpose of  
21 taxation under the Illinois Income Tax Act. The Department  
22 shall promulgate such rules as may be appropriate to implement  
23 the provisions of this Section.

24 i. To make a continuous study and investigation of (1) the  
25 operation and the administration of similar laws which may be  
26 in effect in other states or countries, (2) any literature on

1 the subject which from time to time may be published or  
2 available, (3) any Federal laws which may affect the operation  
3 of the lottery, and (4) the reaction of Illinois citizens to  
4 existing and potential features of the lottery with a view to  
5 recommending or effecting changes that will tend to serve the  
6 purposes of this Act.

7 j. To report monthly to the State Treasurer and the Lottery  
8 Control Board a full and complete statement of lottery  
9 revenues, prize disbursements and other expenses for each month  
10 and the amounts to be transferred to the Common School Fund  
11 pursuant to Section 7.2 or such other funds as are otherwise  
12 authorized by Section 21.2 of this Act, and to make an annual  
13 report, which shall include a full and complete statement of  
14 lottery revenues, prize disbursements and other expenses, to  
15 the Governor and the Board. All reports required by this  
16 subsection shall be public and copies of all such reports shall  
17 be sent to the Speaker of the House, the President of the  
18 Senate, and the minority leaders of both houses.

19 (Source: P.A. 96-37, eff. 7-13-09.)

20 (20 ILCS 1605/9.1)

21 Sec. 9.1. Private manager and management agreement.

22 (a) As used in this Section:

23 "Offeror" means a person or group of persons that responds  
24 to a request for qualifications under this Section.

25 "Request for qualifications" means all materials and

1 documents prepared by the Department to solicit the following  
2 from offerors:

3 (1) Statements of qualifications.

4 (2) Proposals to enter into a management agreement,  
5 including the identity of any prospective vendor or vendors  
6 that the offeror intends to initially engage to assist the  
7 offeror in performing its obligations under the management  
8 agreement.

9 "Final offer" means the last proposal submitted by an  
10 offeror in response to the request for qualifications,  
11 including the identity of any prospective vendor or vendors  
12 that the offeror intends to initially engage to assist the  
13 offeror in performing its obligations under the management  
14 agreement.

15 "Final offeror" means the offeror ultimately selected by  
16 the Governor to be the private manager for the Lottery under  
17 subsection (h) of this Section.

18 (b) By September 15, 2010, the Governor shall select a  
19 private manager for the total management of the Lottery with  
20 integrated functions, such as lottery game design, supply of  
21 goods and services, and advertising and as specified in this  
22 Section.

23 (c) Pursuant to the terms of this subsection, the  
24 Department shall endeavor to expeditiously terminate the  
25 existing contracts in support of the Lottery in effect on the  
26 effective date of this amendatory Act of the 96th General



1 Assembly in connection with the selection of the private  
2 manager. As part of its obligation to terminate these contracts  
3 and select the private manager, the Department shall establish  
4 a mutually agreeable timetable to transfer the functions of  
5 existing contractors to the private manager so that existing  
6 Lottery operations are not materially diminished or impaired  
7 during the transition. To that end, the Department shall do the  
8 following:

9 (1) where such contracts contain a provision  
10 authorizing termination upon notice, the Department shall  
11 provide notice of termination to occur upon the mutually  
12 agreed timetable for transfer of functions;

13 (2) upon the expiration of any initial term or renewal  
14 term of the current Lottery contracts, the Department shall  
15 not renew such contract for a term extending beyond the  
16 mutually agreed timetable for transfer of functions; or

17 (3) in the event any current contract provides for  
18 termination of that contract upon the implementation of a  
19 contract with the private manager, the Department shall  
20 perform all necessary actions to terminate the contract on  
21 the date that coincides with the mutually agreed timetable  
22 for transfer of functions.

23 If the contracts to support the current operation of the  
24 Lottery in effect on the effective date of this amendatory Act  
25 of the 96th General Assembly are not subject to termination as  
26 provided for in this subsection (c), then the Department may

1 include a provision in the contract with the private manager  
2 specifying a mutually agreeable methodology for incorporation.

3 (c-5) The Department shall include provisions in the  
4 management agreement whereby the private manager shall, for a  
5 fee, and pursuant to a contract negotiated with the Department  
6 (the "Employee Use Contract"), utilize the services of current  
7 Department employees to assist in the administration and  
8 operation of the Lottery. The Department shall be the employer  
9 of all such bargaining unit employees assigned to perform such  
10 work for the private manager, and such employees shall be State  
11 employees, as defined by the Personnel Code. Department  
12 employees shall operate under the same employment policies,  
13 rules, regulations, and procedures, as other employees of the  
14 Department. In addition, neither historical representation  
15 rights under the Illinois Public Labor Relations Act, nor  
16 existing collective bargaining agreements, shall be disturbed  
17 by the management agreement with the private manager for the  
18 management of the Lottery.

19 (d) The management agreement with the private manager shall  
20 include all of the following:

21 (1) A term not to exceed 10 years, including any  
22 renewals.

23 (2) A provision specifying that the Department:

24 (A) shall exercise actual control over all  
25 significant business decisions;

26 (A-5) has the authority to direct or countermand

1 operating decisions by the private manager at any time;

2 (B) has ready access at any time to information  
3 regarding Lottery operations;

4 (C) has the right to demand and receive information  
5 from the private manager concerning any aspect of the  
6 Lottery operations at any time; and

7 (D) retains ownership of all trade names,  
8 trademarks, and intellectual property associated with  
9 the Lottery.

10 (3) A provision imposing an affirmative duty on the  
11 private manager to provide the Department with material  
12 information and with any information the private manager  
13 reasonably believes the Department would want to know to  
14 enable the Department to conduct the Lottery.

15 (4) A provision requiring the private manager to  
16 provide the Department with advance notice of any operating  
17 decision that bears significantly on the public interest,  
18 including, but not limited to, decisions on the kinds of  
19 games to be offered to the public and decisions affecting  
20 the relative risk and reward of the games being offered, so  
21 the Department has a reasonable opportunity to evaluate and  
22 countermand that decision.

23 (5) A provision providing for compensation of the  
24 private manager that may consist of, among other things, a  
25 fee for services and a performance based bonus as  
26 consideration for managing the Lottery, including terms

1 that may provide the private manager with an increase in  
2 compensation if Lottery revenues grow by a specified  
3 percentage in a given year.

4 (6) (Blank).

5 (7) A provision requiring the deposit of all Lottery  
6 proceeds to be deposited into the State Lottery Fund except  
7 as otherwise provided in Section 20 of this Act.

8 (8) A provision requiring the private manager to locate  
9 its principal office within the State.

10 (8-5) A provision encouraging that at least 20% of the  
11 cost of contracts entered into for goods and services by  
12 the private manager in connection with its management of  
13 the Lottery, other than contracts with sales agents or  
14 technical advisors, be awarded to businesses that are a  
15 minority owned business, a female owned business, or a  
16 business owned by a person with disability, as those terms  
17 are defined in the Business Enterprise for Minorities,  
18 Females, and Persons with Disabilities Act.

19 (9) A requirement that so long as the private manager  
20 complies with all the conditions of the agreement under the  
21 oversight of the Department, the private manager shall have  
22 the following duties and obligations with respect to the  
23 management of the Lottery:

24 (A) The right to use equipment and other assets  
25 used in the operation of the Lottery.

26 (B) The rights and obligations under contracts

1 with retailers and vendors.

2 (C) The implementation of a comprehensive security  
3 program by the private manager.

4 (D) The implementation of a comprehensive system  
5 of internal audits.

6 (E) The implementation of a program by the private  
7 manager to curb compulsive gambling by persons playing  
8 the Lottery.

9 (F) A system for determining (i) the type of  
10 Lottery games, (ii) the method of selecting winning  
11 tickets, (iii) the manner of payment of prizes to  
12 holders of winning tickets, (iv) the frequency of  
13 drawings of winning tickets, (v) the method to be used  
14 in selling tickets, (vi) a system for verifying the  
15 validity of tickets claimed to be winning tickets,  
16 (vii) the basis upon which retailer commissions are  
17 established by the manager, and (viii) minimum  
18 payouts.

19 (10) A requirement that advertising and promotion must  
20 be consistent with Section 7.8a of this Act.

21 (11) A requirement that the private manager market the  
22 Lottery to those residents who are new, infrequent, or  
23 lapsed players of the Lottery, especially those who are  
24 most likely to make regular purchases on the Internet as  
25 permitted by law.

26 (12) A code of ethics for the private manager's

1 officers and employees.

2 (13) A requirement that the Department monitor and  
3 oversee the private manager's practices and take action  
4 that the Department considers appropriate to ensure that  
5 the private manager is in compliance with the terms of the  
6 management agreement, while allowing the manager, unless  
7 specifically prohibited by law or the management  
8 agreement, to negotiate and sign its own contracts with  
9 vendors.

10 (14) A provision requiring the private manager to  
11 periodically file, at least on an annual basis, appropriate  
12 financial statements in a form and manner acceptable to the  
13 Department.

14 (15) Cash reserves requirements.

15 (16) Procedural requirements for obtaining the prior  
16 approval of the Department when a management agreement or  
17 an interest in a management agreement is sold, assigned,  
18 transferred, or pledged as collateral to secure financing.

19 (17) Grounds for the termination of the management  
20 agreement by the Department or the private manager.

21 (18) Procedures for amendment of the agreement.

22 (19) A provision requiring the private manager to  
23 engage in an open and competitive bidding process for any  
24 procurement having a cost in excess of \$50,000 that is not  
25 a part of the private manager's final offer. The process  
26 shall favor the selection of a vendor deemed to have

1 submitted a proposal that provides the Lottery with the  
2 best overall value. The process shall not be subject to the  
3 provisions of the Illinois Procurement Code, unless  
4 specifically required by the management agreement.

5 (20) The transition of rights and obligations,  
6 including any associated equipment or other assets used in  
7 the operation of the Lottery, from the manager to any  
8 successor manager of the lottery, including the  
9 Department, following the termination of or foreclosure  
10 upon the management agreement.

11 (21) Right of use of copyrights, trademarks, and  
12 service marks held by the Department in the name of the  
13 State. The agreement must provide that any use of them by  
14 the manager shall only be for the purpose of fulfilling its  
15 obligations under the management agreement during the term  
16 of the agreement.

17 (22) The disclosure of any information requested by the  
18 Department to enable it to comply with the reporting  
19 requirements and information requests provided for under  
20 subsection (p) of this Section.

21 (e) Notwithstanding any other law to the contrary, the  
22 Department shall select a private manager through a competitive  
23 request for qualifications process consistent with Section  
24 20-35 of the Illinois Procurement Code, which shall take into  
25 account:

26 (1) the offeror's ability to market the Lottery to

1 those residents who are new, infrequent, or lapsed players  
2 of the Lottery, especially those who are most likely to  
3 make regular purchases on the Internet;

4 (2) the offeror's ability to address the State's  
5 concern with the social effects of gambling on those who  
6 can least afford to do so;

7 (3) the offeror's ability to provide the most  
8 successful management of the Lottery for the benefit of the  
9 people of the State based on current and past business  
10 practices or plans of the offeror; and

11 (4) the offeror's poor or inadequate past performance  
12 in servicing, equipping, operating or managing a lottery on  
13 behalf of Illinois, another State or foreign government and  
14 attracting persons who are not currently regular players of  
15 a lottery.

16 (f) The Department may retain the services of an advisor or  
17 advisors with significant experience in financial services or  
18 the management, operation, and procurement of goods, services,  
19 and equipment for a government-run lottery to assist in the  
20 preparation of the terms of the request for qualifications and  
21 selection of the private manager. Any prospective advisor  
22 seeking to provide services under this subsection (f) shall  
23 disclose any material business or financial relationship  
24 during the past 3 years with any potential offeror, or with a  
25 contractor or subcontractor presently providing goods,  
26 services, or equipment to the Department to support the



1 Lottery. The Department shall evaluate the material business or  
2 financial relationship of each prospective advisor. The  
3 Department shall not select any prospective advisor with a  
4 substantial business or financial relationship that the  
5 Department deems to impair the objectivity of the services to  
6 be provided by the prospective advisor. During the course of  
7 the advisor's engagement by the Department, and for a period of  
8 one year thereafter, the advisor shall not enter into any  
9 business or financial relationship with any offeror or any  
10 vendor identified to assist an offeror in performing its  
11 obligations under the management agreement. Any advisor  
12 retained by the Department shall be disqualified from being an  
13 offeror. The Department shall not include terms in the request  
14 for qualifications that provide a material advantage whether  
15 directly or indirectly to any potential offeror, or any  
16 contractor or subcontractor presently providing goods,  
17 services, or equipment to the Department to support the  
18 Lottery, including terms contained in previous responses to  
19 requests for proposals or qualifications submitted to  
20 Illinois, another State or foreign government when those terms  
21 are uniquely associated with a particular potential offeror,  
22 contractor, or subcontractor. The request for proposals  
23 offered by the Department on December 22, 2008 as  
24 "LOT08GAMESYS" and reference number "22016176" is declared  
25 void.

26 (g) The Department shall select at least 2 offerors as

1 finalists to potentially serve as the private manager no later  
2 than August 9, 2010. Upon making preliminary selections, the  
3 Department shall schedule a public hearing on the finalists'  
4 proposals and provide public notice of the hearing at least 7  
5 calendar days before the hearing. The notice must include all  
6 of the following:

7 (1) The date, time, and place of the hearing.

8 (2) The subject matter of the hearing.

9 (3) A brief description of the management agreement to  
10 be awarded.

11 (4) The identity of the offerors that have been  
12 selected as finalists to serve as the private manager.

13 (5) The address and telephone number of the Department.

14 (h) At the public hearing, the Department shall (i) provide  
15 sufficient time for each finalist to present and explain its  
16 proposal to the Department and the Governor or the Governor's  
17 designee, including an opportunity to respond to questions  
18 posed by the Department, Governor, or designee and (ii) allow  
19 the public and non-selected offerors to comment on the  
20 presentations. The Governor or a designee shall attend the  
21 public hearing. After the public hearing, the Department shall  
22 have 14 calendar days to recommend to the Governor whether a  
23 management agreement should be entered into with a particular  
24 finalist. After reviewing the Department's recommendation, the  
25 Governor may accept or reject the Department's recommendation,  
26 and shall select a final offeror as the private manager by

1 publication of a notice in the Illinois Procurement Bulletin on  
2 or before September 15, 2010. The Governor shall include in the  
3 notice a detailed explanation and the reasons why the final  
4 offeror is superior to other offerors and will provide  
5 management services in a manner that best achieves the  
6 objectives of this Section. The Governor shall also sign the  
7 management agreement with the private manager.

8 (i) Any action to contest the private manager selected by  
9 the Governor under this Section must be brought within 7  
10 calendar days after the publication of the notice of the  
11 designation of the private manager as provided in subsection  
12 (h) of this Section.

13 (j) The Lottery shall remain, for so long as a private  
14 manager manages the Lottery in accordance with provisions of  
15 this Act, a Lottery conducted by the State, and the State shall  
16 not be authorized to sell or transfer the Lottery to a third  
17 party.

18 (k) Any tangible personal property used exclusively in  
19 connection with the lottery that is owned by the Department and  
20 leased to the private manager shall be owned by the Department  
21 in the name of the State and shall be considered to be public  
22 property devoted to an essential public and governmental  
23 function.

24 (l) The Department may exercise any of its powers under  
25 this Section or any other law as necessary or desirable for the  
26 execution of the Department's powers under this Section.

1           (m) Neither this Section nor any management agreement  
2 entered into under this Section prohibits the General Assembly  
3 from authorizing forms of gambling that are not in direct  
4 competition with the Lottery.

5           (n) The private manager shall be subject to a complete  
6 investigation in the third, seventh, and tenth years of the  
7 agreement (if the agreement is for a 10-year term) by the  
8 Department in cooperation with the Auditor General to determine  
9 whether the private manager has complied with this Section and  
10 the management agreement. The private manager shall bear the  
11 cost of an investigation or reinvestigation of the private  
12 manager under this subsection.

13           (o) The powers conferred by this Section are in addition  
14 and supplemental to the powers conferred by any other law. If  
15 any other law or rule is inconsistent with this Section,  
16 including, but not limited to, provisions of the Illinois  
17 Procurement Code, then this Section controls as to any  
18 management agreement entered into under this Section. This  
19 Section and any rules adopted under this Section contain full  
20 and complete authority for a management agreement between the  
21 Department and a private manager. No law, procedure,  
22 proceeding, publication, notice, consent, approval, order, or  
23 act by the Department or any other officer, Department, agency,  
24 or instrumentality of the State or any political subdivision is  
25 required for the Department to enter into a management  
26 agreement under this Section. This Section contains full and

1 complete authority for the Department to approve any contracts  
2 entered into by a private manager with a vendor providing  
3 goods, services, or both goods and services to the private  
4 manager under the terms of the management agreement, including  
5 subcontractors of such vendors.

6 Upon receipt of a written request from the Chief  
7 Procurement Officer, the Department shall provide to the Chief  
8 Procurement Officer a complete and un-redacted copy of the  
9 management agreement or any contract that is subject to the  
10 Department's approval authority under this subsection. The  
11 Department shall produce that copy in the time specified by the  
12 Chief Procurement Officer in his or her written request. The  
13 Department shall also provide the Chief Procurement Officer  
14 with reasonable advance written notice of any contract that is  
15 pending Department approval.

16 Except as provided in Sections 21.2, 21.5, 21.6, 21.7, and  
17 21.8, the Department shall distribute all proceeds of lottery  
18 tickets and shares sold in the following priority and manner:

19 (1) The payment of prizes and retailer bonuses.

20 (2) The payment of costs incurred in the operation and  
21 administration of the Lottery, including the payment of  
22 sums due to the private manager under the management  
23 agreement with the Department ~~and payment of sums due to~~  
24 ~~the private vendor for lottery tickets and shares sold on~~  
25 ~~the Internet via the pilot program as compensation under~~  
26 ~~its contract with the Department.~~

1           (3) On the last day of each month or as soon thereafter  
2 as possible, the State Comptroller shall direct and the  
3 State Treasurer shall transfer from the Lottery Fund to the  
4 Common School Fund an amount that is equal to the proceeds  
5 transferred in the corresponding month of fiscal year 2009,  
6 as adjusted for inflation, to the Common School Fund.

7           (4) On or before the last day of each fiscal year,  
8 deposit any remaining proceeds, subject to payments under  
9 items (1), (2), and (3) into the Capital Projects Fund each  
10 fiscal year.

11           (p) The Department shall be subject to the following  
12 reporting and information request requirements:

13           (1) the Department shall submit written monthly  
14 reports to the Chief Procurement Officer on the activities  
15 and actions of the private manager selected under this  
16 Section. The Chief Procurement Officer may determine the  
17 format for the written monthly reports;

18           (2) the Department shall also fully cooperate and  
19 respond promptly in writing to all inquiries and comments  
20 of the Chief Procurement Officer with respect to any  
21 conduct taken by the Department or by the private manager  
22 selected under this Section to implement, execute, or  
23 administer the provisions of this Section;

24           (3) upon request of the Chief Procurement Officer, the  
25 Department shall promptly produce information requested by  
26 the Chief Procurement Officer; and

1           (4) at least 30 days prior to the beginning of the  
2           Department's fiscal year, the Department shall prepare an  
3           annual written report on the activities of the private  
4           manager selected under this Section; the report shall be  
5           delivered to the Chief Procurement Officer and to the  
6           General Assembly.

7           (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-840,  
8           eff. 12-23-09.)

9           (20 ILCS 1605/10) (from Ch. 120, par. 1160)

10          Sec. 10. The Department ~~Division~~, upon application  
11          therefor on forms prescribed by the Department ~~Division~~, and  
12          upon a determination by the Department ~~Division~~ that the  
13          applicant meets all of the qualifications specified in this  
14          Act, shall issue a license as an agent to sell lottery tickets  
15          or shares. No license as an agent to sell lottery tickets or  
16          shares shall be issued to any person to engage in business  
17          exclusively as a lottery sales agent.

18          Before issuing such license the Superintendent shall  
19          consider (a) the financial responsibility and security of the  
20          person and his business or activity, (b) the accessibility of  
21          his place of business or activity to the public, (c) the  
22          sufficiency of existing licenses to serve the public  
23          convenience, (d) the volume of expected sales, and (e) such  
24          other factors as he or she may deem appropriate.

25          Until September 1, 1987, the provisions of Sections 2a, 4,

1 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9,  
2 10, 12 and 13.5 of the Retailers' Occupation Tax Act which are  
3 not inconsistent with this Act shall apply to the subject  
4 matter of this Act to the same extent as if such provisions  
5 were included in this Act. For purposes of this Act, references  
6 in such incorporated Sections of the Retailers' Occupation Tax  
7 Act to retailers, sellers or persons engaged in the business of  
8 selling tangible personal property mean persons engaged in  
9 selling lottery tickets or shares; references in such  
10 incorporated Sections to sales of tangible personal property  
11 mean the selling of lottery tickets or shares; and references  
12 in such incorporated Sections to certificates of registration  
13 mean licenses issued under this Act. The provisions of the  
14 Retailers' Occupation Tax Act as heretofore applied to the  
15 subject matter of this Act shall not apply with respect to  
16 tickets sold by or delivered to lottery sales agents on and  
17 after September 1, 1987, but such provisions shall continue to  
18 apply with respect to transactions involving the sale and  
19 delivery of tickets prior to September 1, 1987.

20 All licenses issued by the Department ~~Division~~ under this  
21 Act shall be valid for a period not to exceed 2 years after  
22 issuance unless sooner revoked, canceled or suspended as in  
23 this Act provided. No license issued under this Act shall be  
24 transferable or assignable. Such license shall be  
25 conspicuously displayed in the place of business conducted by  
26 the licensee in Illinois where lottery tickets or shares are to



1 be sold under such license.

2 For purposes of this Section, the term "person" shall be  
3 construed to mean and include an individual, association,  
4 partnership, corporation, club, trust, estate, society,  
5 company, joint stock company, receiver, trustee, referee, any  
6 other person acting in a fiduciary or representative capacity  
7 who is appointed by a court, or any combination of individuals.  
8 "Person" includes any department, commission, agency or  
9 instrumentality of the State, including any county, city,  
10 village, or township and any agency or instrumentality thereof.  
11 (Source: P.A. 94-776, eff. 5-19-06.)

12 (20 ILCS 1605/10.1) (from Ch. 120, par. 1160.1)

13 Sec. 10.1. The following are ineligible for any license  
14 under this Act:

15 (a) any person who has been convicted of a felony;

16 (b) any person who is or has been a professional gambler or  
17 gambling promoter;

18 (c) any person who has engaged in bookmaking or other forms  
19 of illegal gambling;

20 (d) any person who is not of good character and reputation  
21 in the community in which he resides;

22 (e) any person who has been found guilty of any fraud or  
23 misrepresentation in any connection;

24 (f) any firm or corporation in which a person defined in  
25 (a), (b), (c), (d) or (e) has a proprietary, equitable or

1 credit interest of 5% or more.

2 (g) any organization in which a person defined in (a), (b),  
3 (c), (d) or (e) is an officer, director, or managing agent,  
4 whether compensated or not;

5 (h) any organization in which a person defined in (a), (b),  
6 (c), (d), or (e) is to participate in the management or sales  
7 of lottery tickets or shares.

8 However, with respect to persons defined in (a), the  
9 Department may grant any such person a license under this Act  
10 when:

11 1) at least 10 years have elapsed since the date when the  
12 sentence for the most recent such conviction was satisfactorily  
13 completed;

14 2) the applicant has no history of criminal activity  
15 subsequent to such conviction;

16 3) the applicant has complied with all conditions of  
17 probation, conditional discharge, supervision, parole or  
18 mandatory supervised release; and

19 4) the applicant presents at least 3 letters of  
20 recommendation from responsible citizens in his community who  
21 personally can attest that the character and attitude of the  
22 applicant indicate that he is unlikely to commit another crime.

23 The Department ~~Division~~ may revoke, without notice or a  
24 hearing, the license of any agent who violates this Act or any  
25 rule or regulation promulgated pursuant to this Act. However,  
26 if the Department ~~Division~~ does revoke a license without notice

1 and an opportunity for a hearing, the Department ~~Division~~  
2 shall, by appropriate notice, afford the person whose license  
3 has been revoked an opportunity for a hearing within 30 days  
4 after the revocation order has been issued. As a result of any  
5 such hearing, the Department ~~Division~~ may confirm its action in  
6 revoking the license, or it may order the restoration of such  
7 license.

8 (Source: P.A. 94-776, eff. 5-19-06.)

9 (20 ILCS 1605/10.1a) (from Ch. 120, par. 1160.1a)

10 Sec. 10.1a. In addition to other grounds specified in this  
11 Act, the Department ~~Division~~ shall refuse to issue and shall  
12 suspend the license of any lottery sales agency who fails to  
13 file a return, or to pay the tax, penalty or interest shown in  
14 a filed return, or to pay any final assessment of tax, penalty  
15 or interest, as required by any tax Act administered by the  
16 Department of Revenue, until such time as the requirements of  
17 any such tax Act are satisfied, unless the agency is  
18 contesting, in accordance with the procedures established by  
19 the appropriate revenue Act, its liability for the tax or the  
20 amount of tax. The Department ~~Division~~ shall affirmatively  
21 verify the tax status of every sales agency before issuing or  
22 renewing a license. For purposes of this Section, a sales  
23 agency shall not be considered delinquent in the payment of a  
24 tax if the agency (a) has entered into an agreement with the  
25 Department of Revenue for the payment of all such taxes that

1 are due and (b) is in compliance with the agreement.

2 (Source: P.A. 94-776, eff. 5-19-06.)

3 (20 ILCS 1605/10.2) (from Ch. 120, par. 1160.2)

4 Sec. 10.2. Application and other fees. Each application  
5 for a new lottery license must be accompanied by a one-time  
6 application fee of \$50; the Department ~~Division~~, however, may  
7 waive the fee for licenses of limited duration as provided by  
8 Department rule. Each application for renewal of a lottery  
9 license must be accompanied by a renewal fee of \$25. Each  
10 lottery licensee granted on-line status pursuant to the  
11 Department's rules must pay a fee of \$10 per week as partial  
12 reimbursement for telecommunications charges incurred by the  
13 Department in providing access to the lottery's on-line gaming  
14 system. The Department, by rule, may increase or decrease the  
15 amount of these fees.

16 (Source: P.A. 93-840, eff. 7-30-04; 94-776, eff. 5-19-06.)

17 (20 ILCS 1605/10.6) (from Ch. 120, par. 1160.6)

18 Sec. 10.6. The Department ~~Division~~ shall make an effort to  
19 more directly inform players of the odds of winning prizes.  
20 This effort shall include, at a minimum, that the Department  
21 ~~Division~~ require all ticket agents to display a placard stating  
22 the odds of winning for each game offered by that agent.

23 (Source: P.A. 94-776, eff. 5-19-06.)

1 (20 ILCS 1605/10.7)

2 Sec. 10.7. Compulsive gambling.

3 (a) Each lottery sales agent shall post a statement  
4 regarding obtaining assistance with gambling problems and  
5 including a toll-free "800" telephone number providing crisis  
6 counseling and referral services to families experiencing  
7 difficulty as a result of problem or compulsive gambling. The  
8 text of the statement shall be determined by rule by the  
9 Department of Human Services, shall be no more than one  
10 sentence in length, and shall be posted on the placard required  
11 under Section 10.6. The signs shall be provided by the  
12 Department of Human Services.

13 (b) The Department ~~Division~~ shall print a statement  
14 regarding obtaining assistance with gambling problems, the  
15 text of which shall be determined by rule by the Department of  
16 Human Services, on all paper stock it provides to the general  
17 public.

18 (c) The Department ~~Division~~ shall print a statement of no  
19 more than one sentence in length regarding obtaining assistance  
20 with gambling problems and including a toll-free "800" number  
21 providing crisis counseling and referral services to families  
22 experiencing difficulty as a result of problem or compulsive  
23 gambling on the back of all lottery tickets.

24 (Source: P.A. 94-776, eff. 5-19-06.)

25 (20 ILCS 1605/10.8)

1           Sec. 10.8. Specialty retailers license.

2           (a) "Veterans service organization" means an organization  
3 that:

4           (1) is formed by and for United States military  
5 veterans;

6           (2) is chartered by the United States Congress and  
7 incorporated in the State of Illinois;

8           (3) maintains a state headquarters office in the State  
9 of Illinois; and

10           (4) is not funded by the State of Illinois or by any  
11 county in this State.

12           (b) The Department ~~Division~~ shall establish a special  
13 classification of retailer license to facilitate the  
14 year-round sale of the instant scratch-off lottery game  
15 established by the General Assembly in Section 21.6. The fees  
16 set forth in Section 10.2 do not apply to a specialty retailer  
17 license.

18           The holder of a specialty retailer license (i) shall be a  
19 veterans service organization, (ii) may sell only specialty  
20 lottery tickets established for the benefit of the Veterans  
21 Assistance Fund in the State treasury, (iii) is required to  
22 purchase those tickets up front at face value from the Illinois  
23 Lottery, and (iv) must sell those tickets at face value.  
24 Specialty retailers may obtain a refund from the Department  
25 ~~Division~~ for any unsold specialty tickets that they have  
26 purchased for resale, as set forth in the specialty retailer

1 agreement.

2 Specialty retailers shall receive a sales commission equal  
3 to 2% of the face value of specialty game tickets purchased  
4 from the Department, less adjustments for unsold tickets  
5 returned to the Illinois Lottery for credit. Specialty  
6 retailers may not cash winning tickets, but are entitled to a  
7 1% bonus in connection with the sale of a winning specialty  
8 game ticket having a price value of \$1,000 or more.

9 (Source: P.A. 96-1105, eff. 7-19-10.)

10 (20 ILCS 1605/12) (from Ch. 120, par. 1162)

11 Sec. 12. The public inspection and copying of the records  
12 and data of the Department ~~Division~~ and the Board shall be  
13 generally governed by the provisions of the Freedom of  
14 Information Act except that the following shall additionally be  
15 exempt from inspection and copying:

16 (i) information privileged against introduction in  
17 judicial proceedings;

18 (ii) internal communications of the several agencies;

19 (iii) information concerning secret manufacturing  
20 processes or confidential data submitted by any person  
21 under this Act;

22 (iv) any creative proposals, scripts, storyboards or  
23 other materials prepared by or for the Department ~~Division~~,  
24 prior to the placement of the materials in the media, if  
25 the prior release of the materials would compromise the

1 effectiveness of an advertising campaign.

2 (Source: P.A. 94-776, eff. 5-19-06.)

3 (20 ILCS 1605/13) (from Ch. 120, par. 1163)

4 Sec. 13. Except as otherwise provided in Section 13.1, no  
5 prize, nor any portion of a prize, nor any right of any person  
6 to a prize awarded shall be assignable. Any prize, or portion  
7 thereof remaining unpaid at the death of a prize winner, may be  
8 paid to the estate of such deceased prize winner, or to the  
9 trustee under a revocable living trust established by the  
10 deceased prize winner as settlor, provided that a copy of such  
11 a trust has been filed with the Department along with a  
12 notarized letter of direction from the settlor and no written  
13 notice of revocation has been received by the Department  
14 ~~Division~~ prior to the settlor's death. Following such a  
15 settlor's death and prior to any payment to such a successor  
16 trustee, the Superintendent shall obtain from the trustee a  
17 written agreement to indemnify and hold the Department and the  
18 Department ~~Division~~ harmless with respect to any claims that  
19 may be asserted against the Department ~~or the Division~~ arising  
20 from payment to or through the trust. Notwithstanding any other  
21 provision of this Section, any person pursuant to an  
22 appropriate judicial order may be paid the prize to which a  
23 winner is entitled, and all or part of any prize otherwise  
24 payable by State warrant under this Section shall be withheld  
25 upon certification to the State Comptroller from the Department



1 of Healthcare and Family Services as provided in Section  
2 10-17.5 of The Illinois Public Aid Code. The Director and the  
3 Superintendent shall be discharged of all further liability  
4 upon payment of a prize pursuant to this Section.

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

6 (20 ILCS 1605/14) (from Ch. 120, par. 1164)

7 Sec. 14. No person shall sell a ticket or share at a price  
8 greater than that fixed by rule or regulation of the Department  
9 ~~or the Division~~. No person other than a licensed lottery sales  
10 agent or distributor shall sell or resell lottery tickets or  
11 shares. No person shall charge a fee to redeem a winning ticket  
12 or share.

13 Any person convicted of violating this Section shall be  
14 guilty of a Class B misdemeanor; provided, that if any offense  
15 under this Section is a subsequent offense, the offender shall  
16 be guilty of a Class 4 felony.

17 (Source: P.A. 94-776, eff. 5-19-06.)

18 (20 ILCS 1605/14.3)

19 Sec. 14.3. Misuse of proprietary material prohibited.  
20 Except as may be provided in Section 7.11, or by bona fide sale  
21 or by prior authorization from the Department or the Division,  
22 or otherwise by law, all premiums, promotional and other  
23 proprietary material produced or acquired by the Department  
24 ~~Division~~ as part of its advertising and promotional activities

1 shall remain the property of the Department. Nothing herein  
2 shall be construed to affect the rights or obligations of the  
3 Department or any other person under federal or State trademark  
4 or copyright laws.

5 (Source: P.A. 94-776, eff. 5-19-06.)

6 (20 ILCS 1605/19) (from Ch. 120, par. 1169)

7 Sec. 19. The Department ~~Division~~ shall establish an  
8 appropriate period for the claiming of prizes for each lottery  
9 game offered. Each claim period shall be stated in game rules  
10 and written play instructions issued by the Superintendent in  
11 accordance with Section 7.1 of this Act. Written play  
12 instructions shall be made available to all players through  
13 sales agents licensed to sell game tickets or shares. Prizes  
14 for lottery games which involve the purchase of a physical  
15 lottery ticket may be claimed only by presentation of a valid  
16 winning lottery ticket that matches validation records on file  
17 with the Lottery; no claim may be honored which is based on the  
18 assertion that the ticket was lost or stolen. No lottery ticket  
19 which has been altered, mutilated, or fails to pass validation  
20 tests shall be deemed to be a winning ticket.

21 If no claim is made for the money within the established  
22 claim period, the prize may be included in the prize pool of  
23 such special drawing or drawings as the Department ~~Division~~  
24 may, from time to time, designate. Unclaimed multi-state game  
25 prize money may be included in the multi-state prize pool for

1 such special drawing or drawings as the multi-state game  
2 directors may, from time to time, designate. Any bonuses  
3 offered by the Department to sales agents who sell winning  
4 tickets or shares shall be payable to such agents regardless of  
5 whether or not the prize money on the ticket or share is  
6 claimed, provided that the agent can be identified as the  
7 vendor of the winning ticket or share, and that the winning  
8 ticket or share was sold on or after January 1, 1984. All  
9 unclaimed prize money not included in the prize pool of a  
10 special drawing shall be transferred to the Common School Fund.  
11 (Source: P.A. 94-776, eff. 5-19-06.)

12 (20 ILCS 1605/20) (from Ch. 120, par. 1170)

13 Sec. 20. State Lottery Fund.

14 (a) There is created in the State Treasury a special fund  
15 to be known as the "State Lottery Fund". Such fund shall  
16 consist of all revenues received from (1) the sale of lottery  
17 tickets or shares, (net of sales agent commissions, fees  
18 representing those expenses that are directly proportionate to  
19 the sale of tickets or shares at the agent location, and prizes  
20 of less than \$600 which have been validly paid at the agent  
21 level, and any private manager compensation or reimbursements  
22 due under the management agreement), (2) application fees, and  
23 (3) all other sources including moneys credited or transferred  
24 thereto from any other fund or source pursuant to law. Interest  
25 earnings of the State Lottery Fund shall be credited to the

1 Common School Fund.

2 (a-5) If for any reason the General Assembly fails to make  
3 appropriations of amounts sufficient from the State Lottery  
4 Fund to the Department for payment of prizes to holders of  
5 winning lottery tickets or shares, including prizes related to  
6 Multi-State Lottery games, and payment of promotional or  
7 incentive prizes associated with the sale of lottery tickets,  
8 pursuant to the provisions of this Law, then this subsection  
9 constitutes an irrevocable and continuing appropriation of all  
10 amounts necessary for that purpose, and the irrevocable and  
11 continuing authority for and direction to the Comptroller and  
12 to the Treasurer of the State to make the necessary transfers  
13 out of and disbursements from the State Lottery Fund for that  
14 purpose.

15 (b) The receipt and distribution of moneys under Section  
16 21.5 of this Act shall be in accordance with Section 21.5.

17 (c) The receipt and distribution of moneys under Section  
18 21.6 of this Act shall be in accordance with Section 21.6.

19 (d) The receipt and distribution of moneys under Section  
20 21.7 of this Act shall be in accordance with Section 21.7.

21 (e) The receipt and distribution of moneys under Section  
22 21.8 of this Act shall be in accordance with Section 21.8.

23 (Source: P.A. 94-120, eff. 7-6-05; 94-585, eff. 8-15-05;  
24 95-331, eff. 8-21-07; 95-673, eff. 10-11-07; 95-674, eff.  
25 10-11-07; 95-876, eff. 8-21-08.)

1 (20 ILCS 1605/20.1) (from Ch. 120, par. 1170.1)

2 Sec. 20.1. Department account.

3 (a) The Department is authorized to pay validated prizes up  
4 to \$25,000 from funds held by the Department in an account  
5 separate and apart from all public moneys of the State. Moneys  
6 in this account shall be administered by the Superintendent  
7 ~~Director~~ exclusively for the purposes of issuing payments to  
8 prize winners authorized by this Section. Moneys in this  
9 account shall be deposited by the Department into the Public  
10 Treasurers' Investment Pool established under Section 17 of the  
11 State Treasurer Act. The Department shall submit vouchers from  
12 time to time as needed for reimbursement of this account from  
13 moneys appropriated for prizes from the State Lottery Fund.  
14 Investment income earned from this account shall be deposited  
15 monthly by the Department into the Common School Fund. The  
16 Department shall file quarterly fiscal reports specifying the  
17 activity of this account as required under Section 16 of the  
18 State Comptroller Act, and shall file quarterly with the  
19 General Assembly, the Auditor General, the Comptroller, and the  
20 State Treasurer a report indicating the costs associated with  
21 this activity.

22 (b) The Department is authorized to enter into an  
23 interagency agreement with the Office of the Comptroller or any  
24 other State agency to establish responsibilities, duties, and  
25 procedures for complying with the Comptroller's Offset System  
26 under Section 10.05 of the State Comptroller Act. All federal

1 and State tax reporting and withholding requirements relating  
2 to prize winners under this Section shall be the responsibility  
3 of the Department. Moneys from this account may not be used to  
4 pay amounts to deferred prize winners. Moneys may not be  
5 transferred from the State Lottery Fund to this account for  
6 payment of prizes under this Section until procedures are  
7 implemented to comply with the Comptroller's Offset System and  
8 sufficient internal controls are in place to validate prizes.

9 (Source: P.A. 87-1197; 88-676, eff. 12-14-94.)

10 (20 ILCS 1605/21) (from Ch. 120, par. 1171)

11 Sec. 21. All lottery sales agents or distributors shall be  
12 liable to the Lottery for any and all tickets accepted or  
13 generated by any employee or representative of that agent or  
14 distributor, and such tickets shall be deemed to have been  
15 purchased by the agent or distributor unless returned to the  
16 Lottery within the time and in the manner prescribed by the  
17 Superintendent. All moneys received by such agents or  
18 distributors from the sale of lottery tickets or shares, less  
19 the amount retained as compensation for the sale of the tickets  
20 or shares and the amount paid out as prizes, shall be paid over  
21 to a lottery representative or deposited in a bank or savings  
22 and loan association approved by the State Treasurer, as  
23 prescribed by the Superintendent.

24 No bank or savings and loan association shall receive  
25 public funds as permitted by this Section, unless it has

1 complied with the requirements established pursuant to Section  
2 6 of the Public Funds Investment Act.

3 Each payment or deposit shall be accompanied by a report of  
4 the agent's receipts and transactions in the sale of lottery  
5 tickets in such form and containing such information as the  
6 Superintendent may require. Any discrepancies in such receipts  
7 and transactions may be resolved as provided by the rules and  
8 regulations of the Department.

9 If any money due the Lottery by a sales agent or  
10 distributor is not paid when due or demanded, it shall  
11 immediately become delinquent and be billed on a subsequent  
12 monthly statement. If on the closing date for any monthly  
13 statement a delinquent amount previously billed of more than  
14 \$50 remains unpaid, interest in such amount shall be accrued at  
15 the rate of 2% per month or fraction thereof from the date when  
16 such delinquent amount becomes past due until such delinquent  
17 amount, including interest, penalty and other costs and charges  
18 that the Department may incur in collecting such amounts, is  
19 paid. In case any agent or distributor fails to pay any moneys  
20 due the Lottery within 30 days after a second bill or statement  
21 is rendered to the agent or distributor, such amount shall be  
22 deemed seriously delinquent and may be referred by the  
23 Department to a collection agency or credit bureau for  
24 collection. Any contract entered into by the Department for the  
25 collection of seriously delinquent accounts with a collection  
26 agency or credit bureau may be satisfied by a commercially

1 reasonable percentage of the delinquent account recouped,  
2 which shall be negotiated by the Department in accordance with  
3 commercially accepted standards. Any costs incurred by the  
4 Department or others authorized to act in its behalf in  
5 collecting such delinquencies may be assessed against the agent  
6 or distributor and included as a part of the delinquent  
7 account.

8 In case of failure of an agent or distributor to pay a  
9 seriously delinquent amount, or any portion thereof, including  
10 interest, penalty and costs, the Department ~~Division~~ may issue  
11 a Notice of Assessment. In determining amounts shown on the  
12 Notice of Assessment, the Department ~~Division~~ shall utilize the  
13 financial information available from its records. Such Notice  
14 of Assessment shall be prima facie correct and shall be prima  
15 facie evidence of delinquent sums due under this Section at any  
16 hearing before the Board, or its Hearing Officers, or at any  
17 other legal proceeding. Reproduced copies of the Department's  
18 ~~Division's~~ records relating to a delinquent account or a Notice  
19 of Assessment offered in the name of the Department, under the  
20 Certificate of the Superintendent ~~Director~~ or any officer or  
21 employee of the Department designated in writing by the  
22 Superintendent ~~Director~~ shall, without further proof, be  
23 admitted into evidence in any such hearing or any legal  
24 proceeding and shall be prima facie proof of the delinquency,  
25 including principal and any interest, penalties and costs, as  
26 shown thereon. The Attorney General may bring suit on behalf of



1 the Department to collect all such delinquent amounts, or any  
2 portion thereof, including interest, penalty and costs, due the  
3 Lottery.

4 Any person who accepts money that is due to the Department  
5 from the sale of lottery tickets under this Act, but who  
6 wilfully fails to remit such payment to the Department when due  
7 or who purports to make such payment but wilfully fails to do  
8 so because his check or other remittance fails to clear the  
9 bank or savings and loan association against which it is drawn,  
10 in addition to the amount due and in addition to any other  
11 penalty provided by law, shall be assessed, and shall pay, a  
12 penalty equal to 5% of the deficiency plus any costs or charges  
13 incurred by the Department in collecting such amount.

14 The Superintendent ~~Director~~ may make such arrangements for  
15 any person(s), banks, savings and loan associations or  
16 distributors, to perform such functions, activities or  
17 services in connection with the operation of the lottery as he  
18 deems advisable pursuant to this Act, the State Comptroller  
19 Act, or the rules and regulations of the Department, and such  
20 functions, activities or services shall constitute lawful  
21 functions, activities and services of such person(s), banks,  
22 savings and loan associations or distributors.

23 All income arising out of any activity or purpose of the  
24 Department ~~Division~~ shall, pursuant to the State Finance Act,  
25 be paid into the State Treasury except as otherwise provided by  
26 the rules and regulations of the Department and shall be

1 covered into a special fund to be known as the State Lottery  
2 Fund. Banks and savings and loan associations may be  
3 compensated for services rendered based upon the activity and  
4 amount of funds on deposit.

5 (Source: P.A. 94-776, eff. 5-19-06.)

6 (20 ILCS 1605/21.5)

7 Sec. 21.5. Ticket For The Cure.

8 (a) The Department shall offer a special instant  
9 scratch-off game with the title of "Ticket For The Cure". The  
10 game shall commence on January 1, 2006 or as soon thereafter,  
11 in the discretion of the Superintendent ~~Director~~, as is  
12 reasonably practical, and shall be discontinued on December 31,  
13 2011. The operation of the game shall be governed by this Act  
14 and any rules adopted by the Department. The Department must  
15 consult with the Ticket For The Cure Board, which is  
16 established under Section 2310-347 of the Department of Public  
17 Health Powers and Duties Law of the Civil Administrative Code  
18 of Illinois, regarding the design and promotion of the game. If  
19 any provision of this Section is inconsistent with any other  
20 provision of this Act, then this Section governs.

21 (b) The Carolyn Adams Ticket For The Cure Grant Fund is  
22 created as a special fund in the State treasury. The net  
23 revenue from the Ticket For The Cure special instant  
24 scratch-off game shall be deposited into the Fund for  
25 appropriation by the General Assembly solely to the Department

1 of Public Health for the purpose of making grants to public or  
2 private entities in Illinois for the purpose of funding  
3 research concerning breast cancer and for funding services for  
4 breast cancer victims. The Department must, before grants are  
5 awarded, provide copies of all grant applications to the Ticket  
6 For The Cure Board, receive and review the Board's  
7 recommendations and comments, and consult with the Board  
8 regarding the grants. For purposes of this Section, the term  
9 "research" includes, without limitation, expenditures to  
10 develop and advance the understanding, techniques, and  
11 modalities effective in the detection, prevention, screening,  
12 and treatment of breast cancer and may include clinical trials.  
13 The grant funds may not be used for institutional,  
14 organizational, or community-based overhead costs, indirect  
15 costs, or levies.

16 Moneys received for the purposes of this Section,  
17 including, without limitation, net revenue from the special  
18 instant scratch-off game and gifts, grants, and awards from any  
19 public or private entity, must be deposited into the Fund. Any  
20 interest earned on moneys in the Fund must be deposited into  
21 the Fund.

22 For purposes of this subsection, "net revenue" means the  
23 total amount for which tickets have been sold less the sum of  
24 the amount paid out in prizes and the actual administrative  
25 expenses of the Department solely related to the Ticket For The  
26 Cure game.

1           (c) During the time that tickets are sold for the Ticket  
2 For The Cure game, the Department shall not unreasonably  
3 diminish the efforts devoted to marketing any other instant  
4 scratch-off lottery game.

5           (d) The Department may adopt any rules necessary to  
6 implement and administer the provisions of this Section.

7 (Source: P.A. 96-1290, eff. 7-26-10.)

8           (20 ILCS 1605/21.6)

9           Sec. 21.6. Scratch-off for Illinois veterans.

10           (a) The Department shall offer a special instant  
11 scratch-off game for the benefit of Illinois veterans. The game  
12 shall commence on January 1, 2006 or as soon thereafter, at the  
13 discretion of the Superintendent ~~Director~~, as is reasonably  
14 practical. The operation of the game shall be governed by this  
15 Act and any rules adopted by the Department. If any provision  
16 of this Section is inconsistent with any other provision of  
17 this Act, then this Section governs.

18           (b) The Illinois Veterans Assistance Fund is created as a  
19 special fund in the State treasury. The net revenue from the  
20 Illinois veterans scratch-off game shall be deposited into the  
21 Fund for appropriation by the General Assembly solely to the  
22 Department of Veterans Affairs for making grants, funding  
23 additional services, or conducting additional research  
24 projects relating to each of the following:

25           (i) veterans' post traumatic stress disorder;

- 1           (ii) veterans' homelessness;
- 2           (iii) the health insurance costs of veterans;
- 3           (iv) veterans' disability benefits, including but not  
4 limited to, disability benefits provided by veterans  
5 service organizations and veterans assistance commissions  
6 or centers; and
- 7           (v) the long-term care of veterans; provided that,  
8 beginning with moneys appropriated for fiscal year 2008, no  
9 more than 20% of such moneys shall be used for health  
10 insurance costs.

11           In order to expend moneys from this special fund,  
12 beginning with moneys appropriated for fiscal year 2008,  
13 the Director of Veterans' Affairs shall appoint a 3-member  
14 funding authorization committee. The Superintendent  
15 ~~Director~~ shall designate one of the members as chairperson.  
16 The committee shall meet on a quarterly basis, at a  
17 minimum, and shall authorize expenditure of moneys from the  
18 special fund by a two-thirds vote. Decisions of the  
19 committee shall not take effect unless and until approved  
20 by the Director of Veterans' Affairs. Each member of the  
21 committee shall serve until a replacement is named by the  
22 Director of Veterans' Affairs. One member of the committee  
23 shall be a member of the Veterans' Advisory Council.

24           Moneys collected from the special instant scratch-off game  
25 shall be used only as a supplemental financial resource and  
26 shall not supplant existing moneys that the Department of

1 Veterans Affairs may currently expend for the purposes set  
2 forth in items (i) through (v).

3 Moneys received for the purposes of this Section,  
4 including, without limitation, net revenue from the special  
5 instant scratch-off game and from gifts, grants, and awards  
6 from any public or private entity, must be deposited into the  
7 Fund. Any interest earned on moneys in the Fund must be  
8 deposited into the Fund.

9 For purposes of this subsection, "net revenue" means the  
10 total amount for which tickets have been sold less the sum of  
11 the amount paid out in the prizes and the actual administrative  
12 expenses of the Department solely related to the scratch-off  
13 game under this Section.

14 (c) During the time that tickets are sold for the Illinois  
15 veterans scratch-off game, the Department shall not  
16 unreasonably diminish the efforts devoted to marketing any  
17 other instant scratch-off lottery game.

18 (d) The Department may adopt any rules necessary to  
19 implement and administer the provisions of this Section.

20 (Source: P.A. 94-585, eff. 8-15-05; 95-331, eff. 8-20-07;  
21 95-649, eff. 10-11-07.)

22 (20 ILCS 1605/21.7)

23 Sec. 21.7. Scratch-out Multiple Sclerosis scratch-off  
24 game.

25 (a) The Department shall offer a special instant

1 scratch-off game for the benefit of research pertaining to  
2 multiple sclerosis. The game shall commence on July 1, 2008 or  
3 as soon thereafter, in the discretion of the Superintendent  
4 ~~Director~~, as is reasonably practical. The operation of the game  
5 shall be governed by this Act and any rules adopted by the  
6 Department. If any provision of this Section is inconsistent  
7 with any other provision of this Act, then this Section  
8 governs.

9 (b) The Multiple Sclerosis Research Fund is created as a  
10 special fund in the State treasury. The net revenue from the  
11 scratch-out multiple sclerosis scratch-off game created under  
12 this Section shall be deposited into the Fund for appropriation  
13 by the General Assembly to the Department of Public Health for  
14 the purpose of making grants to organizations in Illinois that  
15 conduct research pertaining to the repair of damage caused by  
16 an acquired demyelinating disease of the central nervous  
17 system.

18 Moneys received for the purposes of this Section,  
19 including, without limitation, net revenue from the special  
20 instant scratch-off game and from gifts, grants, and awards  
21 from any public or private entity, must be deposited into the  
22 Fund. Any interest earned on moneys in the Fund must be  
23 deposited into the Fund.

24 For purposes of this Section, the term "research" includes,  
25 without limitation, expenditures to develop and advance the  
26 understanding, techniques, and modalities effective for

1 maintaining function, mobility, and strength through  
2 preventive physical therapy or other treatments and to develop  
3 and advance the repair of myelin, neuron, and axon damage  
4 caused by an acquired demyelinating disease of the central  
5 nervous system and the restoration of function, including but  
6 not limited to, nervous system repair or neuroregeneration.

7 The grant funds may not be used for institutional,  
8 organizational, or community-based overhead costs, indirect  
9 costs, or levies.

10 For purposes of this subsection, "net revenue" means the  
11 total amount for which tickets have been sold less the sum of  
12 the amount paid out in the prizes and the actual administrative  
13 expenses of the Department solely related to the scratch-off  
14 game under this Section.

15 (c) During the time that tickets are sold for the  
16 scratch-out multiple sclerosis scratch-off game, the  
17 Department shall not unreasonably diminish the efforts devoted  
18 to marketing any other instant scratch-off lottery game.

19 (d) The Department may adopt any rules necessary to  
20 implement and administer the provisions of this Section.

21 (Source: P.A. 95-673, eff. 10-11-07; 95-876, eff. 8-21-08.)

22 (20 ILCS 1605/21.8)

23 Sec. 21.8. Quality of Life scratch-off game.

24 (a) The Department shall offer a special instant  
25 scratch-off game with the title of "Quality of Life". The game



1 shall commence on July 1, 2007 or as soon thereafter, in the  
2 discretion of the Superintendent ~~Director~~, as is reasonably  
3 practical, and shall be discontinued on December 31, 2012. The  
4 operation of the game is governed by this Act and by any rules  
5 adopted by the Department. The Department must consult with the  
6 Quality of Life Board, which is established under Section  
7 2310-348 of the Department of Public Health Powers and Duties  
8 Law of the Civil Administrative Code of Illinois, regarding the  
9 design and promotion of the game. If any provision of this  
10 Section is inconsistent with any other provision of this Act,  
11 then this Section governs.

12 (b) The Quality of Life Endowment Fund is created as a  
13 special fund in the State treasury. The net revenue from the  
14 Quality of Life special instant scratch-off game must be  
15 deposited into the Fund for appropriation by the General  
16 Assembly solely to the Department of Public Health for the  
17 purpose of HIV/AIDS-prevention education and for making grants  
18 to public or private entities in Illinois for the purpose of  
19 funding organizations that serve the highest at-risk  
20 categories for contracting HIV or developing AIDS. Grants shall  
21 be targeted to serve at-risk populations in proportion to the  
22 distribution of recent reported Illinois HIV/AIDS cases among  
23 risk groups as reported by the Illinois Department of Public  
24 Health. The recipient organizations must be engaged in  
25 HIV/AIDS-prevention education and HIV/AIDS healthcare  
26 treatment. The Department must, before grants are awarded,

1 provide copies of all grant applications to the Quality of Life  
2 Board, receive and review the Board's recommendations and  
3 comments, and consult with the Board regarding the grants.  
4 Organizational size will determine an organization's  
5 competitive slot in the "Request for Proposal" process.  
6 Organizations with an annual budget of \$300,000 or less will  
7 compete with like size organizations for 50% of the Quality of  
8 Life annual fund. Organizations with an annual budget of  
9 \$300,001 to \$700,000 will compete with like organizations for  
10 25% of the Quality of Life annual fund, and organizations with  
11 an annual budget of \$700,001 and upward will compete with like  
12 organizations for 25% of the Quality of Life annual fund. The  
13 lottery may designate a percentage of proceeds for marketing  
14 purpose. The grant funds may not be used for institutional,  
15 organizational, or community-based overhead costs, indirect  
16 costs, or levies.

17 Grants awarded from the Fund are intended to augment the  
18 current and future State funding for the prevention and  
19 treatment of HIV/AIDS and are not intended to replace that  
20 funding.

21 Moneys received for the purposes of this Section,  
22 including, without limitation, net revenue from the special  
23 instant scratch-off game and gifts, grants, and awards from any  
24 public or private entity, must be deposited into the Fund. Any  
25 interest earned on moneys in the Fund must be deposited into  
26 the Fund.

1 For purposes of this subsection, "net revenue" means the  
2 total amount for which tickets have been sold less the sum of  
3 the amount paid out in prizes and the actual administrative  
4 expenses of the Department solely related to the Quality of  
5 Life game.

6 (c) During the time that tickets are sold for the Quality  
7 of Life game, the Department shall not unreasonably diminish  
8 the efforts devoted to marketing any other instant scratch-off  
9 lottery game.

10 (d) The Department may adopt any rules necessary to  
11 implement and administer the provisions of this Section in  
12 consultation with the Quality of Life Board.

13 (Source: P.A. 95-674, eff. 10-11-07; 95-876, eff. 8-21-08.)

14 (20 ILCS 1605/27) (from Ch. 120, par. 1177)

15 Sec. 27. (a) The State Treasurer may, with the consent of  
16 the Superintendent ~~Director~~, contract with any person or  
17 corporation, including, without limitation, a bank, banking  
18 house, trust company or investment banking firm, to perform  
19 such financial functions, activities or services in connection  
20 with operation of the lottery as the State Treasurer and the  
21 Superintendent ~~Director~~ may prescribe.

22 (b) All proceeds from investments made pursuant to  
23 contracts executed by the State Treasurer, with the consent of  
24 the Superintendent ~~Director~~, to perform financial functions,  
25 activities or services in connection with operation of the

1 lottery, shall be deposited and held by the State Treasurer as  
2 ex-officio custodian thereof, separate and apart from all  
3 public money or funds of this State in a special trust fund  
4 outside the State treasury. Such trust fund shall be known as  
5 the "Deferred Lottery Prize Winners Trust Fund", and shall be  
6 administered by the Superintendent ~~Director~~.

7 The Superintendent ~~Director~~ shall, at such times and in  
8 such amounts as shall be necessary, prepare and send to the  
9 State Comptroller vouchers requesting payment from the  
10 Deferred Lottery Prize Winners Trust Fund to deferred prize  
11 winners, in a manner that will insure the timely payment of  
12 such amounts owed.

13 This Act shall constitute an irrevocable appropriation of  
14 all amounts necessary for that purpose, and the irrevocable and  
15 continuing authority for and direction to the Superintendent  
16 ~~Director~~ and the State Treasurer to make the necessary payments  
17 out of such trust fund for that purpose.

18 (c) Moneys invested pursuant to subsection (a) of this  
19 Section may be invested only in bonds, notes, certificates of  
20 indebtedness, treasury bills, or other securities constituting  
21 direct obligations of the United States of America and all  
22 securities or obligations the prompt payment of principal and  
23 interest of which is guaranteed by a pledge of the full faith  
24 and credit of the United States of America. Interest earnings  
25 on moneys in the Deferred Lottery Prize Winners Trust Fund  
26 shall remain in such fund and be used to pay the winners of

1 lottery prizes deferred as to payment until such obligations  
2 are discharged. Proceeds from bonds purchased and interest  
3 accumulated as a result of a grand prize multi-state game  
4 ticket that goes unclaimed will be transferred after the  
5 termination of the relevant claim period directly from the  
6 lottery's Deferred Lottery Prize Winners Trust Fund to each  
7 respective multi-state partner state according to its  
8 contribution ratio.

9 (c-5) If a deferred lottery prize is not claimed within the  
10 claim period established by game rule, then the securities or  
11 other instruments purchased to fund the prize shall be  
12 liquidated and the liquidated amount shall be transferred to  
13 the State Lottery Fund for disposition pursuant to Section 19  
14 of this Act.

15 (c-10) The Superintendent ~~Director~~ may use a portion of the  
16 moneys in the Deferred Lottery Prize Winners Trust Fund to  
17 purchase bonds to pay a lifetime prize if the prize duration  
18 exceeds the length of available securities. If the winner of a  
19 lifetime prize exceeds his or her life expectancy as determined  
20 using actuarial assumptions and the securities or moneys set  
21 aside to pay the prize have been exhausted, moneys in the State  
22 Lottery Fund shall be used to make payments to the winner for  
23 the duration of the winner's life.

24 (c-15) From time to time, the Superintendent ~~Director~~ may  
25 request that the State Comptroller transfer any excess moneys  
26 in the Deferred Lottery Prize Winners Trust Fund to the Lottery

1 Fund.

2 (d) This amendatory Act of 1985 shall be construed  
3 liberally to effect the purposes of the Illinois Lottery Law.

4 (Source: P.A. 89-466, eff. 6-13-96; 90-346, eff. 8-8-97.)

5 (20 ILCS 1605/29 new)

6 Sec. 29. The Department of the Lottery.

7 (a) Executive Order No. 2003-09 is hereby superseded by  
8 this amendatory Act of the 97th General Assembly to the extent  
9 that Executive Order No. 2003-09 transfers the powers, duties,  
10 rights, and responsibilities of the Department of the Lottery  
11 to the Division of the Lottery within the Department of  
12 Revenue.

13 (b) The Division of the Lottery within the Department of  
14 Revenue is hereby abolished and the Department of the Lottery  
15 is created as an independent department. On July 1, 2011, all  
16 powers, duties, rights, and responsibilities of the Division of  
17 the Lottery within the Department of Revenue shall be  
18 transferred to the Department of the Lottery.

19 (c) The personnel of the Division of the Lottery within the  
20 Department of Revenue shall be transferred to the Department of  
21 the Lottery. The status and rights of such employees under the  
22 Personnel Code shall not be affected by the transfer. The  
23 rights of the employees and the State of Illinois and its  
24 agencies under the Personnel Code and applicable collective  
25 bargaining agreements or under any pension, retirement, or

1 annuity plan shall not be affected by this amendatory Act of  
2 the 97th General Assembly. To the extent that an employee  
3 performs duties for the Division of the Lottery within the  
4 Department of Revenue and the Department of Revenue itself or  
5 any other division or agency within the Department of Revenue,  
6 that employee shall be transferred at the Superintendent's  
7 discretion.

8 (d) All books, records, papers, documents, property (real  
9 and personal), contracts, causes of action, and pending  
10 business pertaining to the powers, duties, rights, and  
11 responsibilities transferred by this amendatory Act of the 97th  
12 General Assembly from the Division of the Lottery within the  
13 Department of Revenue to the Department of the Lottery,  
14 including, but not limited to, material in electronic or  
15 magnetic format and necessary computer hardware and software,  
16 shall be transferred to the Department of the Lottery.

17 (e) All unexpended appropriations and balances and other  
18 funds available for use by the Division of the Lottery within  
19 the Department of Revenue shall be transferred for use by the  
20 Department of the Lottery pursuant to the direction of the  
21 Governor. Unexpended balances so transferred shall be expended  
22 only for the purpose for which the appropriations were  
23 originally made.

24 (f) The powers, duties, rights, and responsibilities  
25 transferred from the Division of the Lottery within the  
26 Department of Revenue by this amendatory Act of the 97th

1 General Assembly shall be vested in and shall be exercised by  
2 the Department of the Lottery.

3 (g) Whenever reports or notices are now required to be made  
4 or given or papers or documents furnished or served by any  
5 person to or upon the Division of the Lottery within the  
6 Department of Revenue in connection with any of the powers,  
7 duties, rights, and responsibilities transferred by this  
8 amendatory Act of the 97th General Assembly, the same shall be  
9 made, given, furnished, or served in the same manner to or upon  
10 the Department of the Lottery.

11 (h) This amendatory Act of the 97th General Assembly does  
12 not affect any act done, ratified, or canceled or any right  
13 occurring or established or any action or proceeding had or  
14 commenced in an administrative, civil, or criminal cause by the  
15 Division of the Lottery within the Department of Revenue before  
16 this amendatory Act of the 97th General Assembly takes effect;  
17 such actions or proceedings may be prosecuted and continued by  
18 the Department of the Lottery.

19 (i) Any rules of the Division of the Lottery within the  
20 Department of Revenue, including any rules of its predecessor  
21 Department of the Lottery, that relate to its powers, duties,  
22 rights, and responsibilities and are in full force on the  
23 effective date of this amendatory Act of the 97th General  
24 Assembly shall become the rules of the recreated Department of  
25 the Lottery. This amendatory Act of the 97th General Assembly  
26 does not affect the legality of any such rules in the Illinois



1 Administrative Code.

2 Any proposed rules filed with the Secretary of State by the  
3 Division of the Lottery within the Department of Revenue that  
4 are pending in the rulemaking process on the effective date of  
5 this amendatory Act of the 97th General Assembly and pertain to  
6 the powers, duties, rights, and responsibilities transferred,  
7 shall be deemed to have been filed by the Department of the  
8 Lottery. As soon as practicable hereafter, the Department of  
9 the Lottery shall revise and clarify the rules transferred to  
10 it under this amendatory Act of the 97th General Assembly to  
11 reflect the reorganization of powers, duties, rights, and  
12 responsibilities affected by this amendatory Act, using the  
13 procedures for recodification of rules available under the  
14 Illinois Administrative Procedures Act, except that existing  
15 title, part, and section numbering for the affected rules may  
16 be retained. The Department of the Lottery may propose and  
17 adopt under the Illinois Administrative Procedures Act such  
18 other rules of the Division of the Lottery within the  
19 Department of Revenue that will now be administered by the  
20 Department of the Lottery.

21 To the extent that, prior to July 1, 2011, the  
22 Superintendent of the Division of the Lottery within the  
23 Department of Revenue had been empowered to prescribe rules or  
24 had other rulemaking authority jointly with the Director of the  
25 Department of Revenue with regard to the powers, duties,  
26 rights, and responsibilities of the Division of the Lottery

1 within the Department of Revenue, such duties shall be  
2 exercised from and after July 1, 2011 solely by the  
3 Superintendent of the Department of the Lottery.

4 Section 10. The Use Tax Act is amended by reenacting  
5 Sections 3-10 and 9 as follows:

6 (35 ILCS 105/3-10)

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this  
8 Section, the tax imposed by this Act is at the rate of 6.25% of  
9 either the selling price or the fair market value, if any, of  
10 the tangible personal property. In all cases where property  
11 functionally used or consumed is the same as the property that  
12 was purchased at retail, then the tax is imposed on the selling  
13 price of the property. In all cases where property functionally  
14 used or consumed is a by-product or waste product that has been  
15 refined, manufactured, or produced from property purchased at  
16 retail, then the tax is imposed on the lower of the fair market  
17 value, if any, of the specific property so used in this State  
18 or on the selling price of the property purchased at retail.  
19 For purposes of this Section "fair market value" means the  
20 price at which property would change hands between a willing  
21 buyer and a willing seller, neither being under any compulsion  
22 to buy or sell and both having reasonable knowledge of the  
23 relevant facts. The fair market value shall be established by  
24 Illinois sales by the taxpayer of the same property as that

1 functionally used or consumed, or if there are no such sales by  
2 the taxpayer, then comparable sales or purchases of property of  
3 like kind and character in Illinois.

4 Beginning on July 1, 2000 and through December 31, 2000,  
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 3-6 of  
10 this Act, the tax is imposed at the rate of 1.25%.

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

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

25 With respect to biodiesel blends with no less than 1% and  
26 no more than 10% biodiesel, the tax imposed by this Act applies

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

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

14 With respect to food for human consumption that is to be  
15 consumed off the premises where it is sold (other than  
16 alcoholic beverages, soft drinks, and food that has been  
17 prepared for immediate consumption) and prescription and  
18 nonprescription medicines, drugs, medical appliances,  
19 modifications to a motor vehicle for the purpose of rendering  
20 it usable by a disabled person, and insulin, urine testing  
21 materials, syringes, and needles used by diabetics, for human  
22 use, the tax is imposed at the rate of 1%. For the purposes of  
23 this Section, until September 1, 2009: the term "soft drinks"  
24 means any complete, finished, ready-to-use, non-alcoholic  
25 drink, whether carbonated or not, including but not limited to  
26 soda water, cola, fruit juice, vegetable juice, carbonated

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

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

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

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

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

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

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

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

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

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

1 of when such retailer files his periodic return. A retailer  
2 need not remit that part of any tax collected by him to the  
3 extent that he is required to remit and does remit the tax  
4 imposed by the Retailers' Occupation Tax Act, with respect to  
5 the sale of the same property.

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

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

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



1 the twentieth day of the following calendar month, stating:

2 1. The name of the seller;

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

6 3. The total amount of taxable receipts received by him  
7 during the preceding calendar month from sales of tangible  
8 personal property by him during such preceding calendar  
9 month, including receipts from charge and time sales, but  
10 less all deductions allowed 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 Before October 1, 2000, if the taxpayer's average monthly  
10 tax liability to the Department under this Act, the Retailers'  
11 Occupation Tax Act, the Service Occupation Tax Act, the Service  
12 Use Tax Act was \$10,000 or more during the preceding 4 complete  
13 calendar quarters, he shall file a return with the Department  
14 each month by the 20th day of the month next following the  
15 month during which such tax liability is incurred and shall  
16 make payments to the Department on or before the 7th, 15th,  
17 22nd and last day of the month during which such liability is  
18 incurred. On and after October 1, 2000, if the taxpayer's  
19 average monthly tax liability to the Department under this Act,  
20 the Retailers' Occupation Tax Act, the Service Occupation Tax  
21 Act, and the Service Use Tax Act was \$20,000 or more during the  
22 preceding 4 complete calendar quarters, he shall file a return  
23 with the Department each month by the 20th day of the month  
24 next following the month during which such tax liability is  
25 incurred and shall make payment to the Department on or before  
26 the 7th, 15th, 22nd and last day of the month during which such

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

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

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

25 If any such payment provided for in this Section exceeds  
26 the taxpayer's liabilities under this Act, the Retailers'

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

26 If the retailer is otherwise required to file a monthly

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

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

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

20 Notwithstanding any other provision in this Act concerning  
21 the time within which a retailer may file his return, in the  
22 case of any retailer who ceases to engage in a kind of business  
23 which makes him responsible for filing returns under this Act,  
24 such retailer shall file a final return under this Act with the  
25 Department not more than one month after discontinuing such  
26 business.



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

24           The transaction reporting return in the case of motor  
25 vehicles or trailers that are required to be registered with an  
26 agency of this State, shall be the same document as the Uniform

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

19 The transaction reporting return in the case of watercraft  
20 and aircraft must show the name and address of the seller; the  
21 name and address of the purchaser; the amount of the selling  
22 price including the amount allowed by the retailer for  
23 traded-in property, if any; the amount allowed by the retailer  
24 for the traded-in tangible personal property, if any, to the  
25 extent to which Section 2 of this Act allows an exemption for  
26 the value of traded-in property; the balance payable after

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

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

21 With each such transaction reporting return, the retailer  
22 shall remit the proper amount of tax due (or shall submit  
23 satisfactory evidence that the sale is not taxable if that is  
24 the case), to the Department or its agents, whereupon the  
25 Department shall issue, in the purchaser's name, a tax receipt  
26 (or a certificate of exemption if the Department is satisfied

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

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

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

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

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

24 Any retailer filing a return under this Section shall also  
25 include (for the purpose of paying tax thereon) the total tax  
26 covered by such return upon the selling price of tangible

1 personal property purchased by him at retail from a retailer,  
2 but as to which the tax imposed by this Act was not collected  
3 from the retailer filing such return, and such retailer shall  
4 remit the amount of such tax to the Department when filing such  
5 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 retailers, who are required to file  
9 returns hereunder and also under the Retailers' Occupation Tax  
10 Act, to furnish all the return information required by both  
11 Acts on the one form.

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

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

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

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

16           Beginning August 1, 2000, each month the Department shall  
17 pay into the State and Local Sales Tax Reform Fund 100% 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 State and Local Sales Tax Reform Fund 100% 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 which is  
2 purchased outside Illinois at retail from a retailer and which  
3 is titled or registered by an agency of this State's  
4 government.

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

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 Section 3  
20 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
21 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
22 Service Occupation Tax Act, such Acts being hereinafter called  
23 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
24 may be, of moneys being hereinafter called the "Tax Act  
25 Amount", and (2) the amount transferred to the Build Illinois  
26 Fund from the State and Local Sales Tax Reform Fund shall be



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

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 as provided in the preceding paragraph or in any amendment

1 thereto hereafter enacted, the following specified monthly  
2 installment of the amount requested in the certificate of the  
3 Chairman of the Metropolitan Pier and Exposition Authority  
4 provided under Section 8.25f of the State Finance Act, but not  
5 in excess of the sums designated as "Total Deposit", shall be  
6 deposited in the aggregate from collections under Section 9 of  
7 the Use Tax Act, Section 9 of the Service Use Tax Act, Section  
8 9 of the Service Occupation Tax Act, and Section 3 of the  
9 Retailers' Occupation Tax Act into the McCormick Place  
10 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
11		
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

1                                   and  
2                                   each fiscal year  
3                                   thereafter that bonds  
4                                   are outstanding under  
5                                   Section 13.2 of the  
6                                   Metropolitan Pier and  
7                                   Exposition Authority Act,  
8                                   but not after fiscal year 2060.

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

22                   Subject to payment of amounts into the Build Illinois Fund  
23                   and the McCormick Place Expansion Project Fund pursuant to the  
24                   preceding paragraphs or in any amendments thereto hereafter  
25                   enacted, beginning July 1, 1993, the Department shall each  
26                   month pay into the Illinois Tax Increment Fund 0.27% of 80% of

1 the net revenue realized for the preceding month from the 6.25%  
2 general rate on the selling price of tangible personal  
3 property.

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

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

23 As soon as possible after the first day of each month, upon  
24 certification of the Department of Revenue, the Comptroller  
25 shall order transferred and the Treasurer shall transfer from  
26 the General Revenue Fund to the Motor Fuel Tax Fund an amount

1 equal to 1.7% of 80% of the net revenue realized under this Act  
2 for the second preceding month. Beginning April 1, 2000, this  
3 transfer is no longer required and shall not be made.

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

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

15 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,  
16 eff. 5-27-10; 96-1012, eff. 7-7-10; revised 7-22-10.)

17 Section 15. The Service Use Tax Act is amended by  
18 reenacting Sections 3-10 and 9 as follows:

19 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

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 the selling price of tangible personal property transferred as  
23 an incident to the sale of service, but, for the purpose of  
24 computing this tax, in no event shall the selling price be less

1 than the cost price of the property to the serviceman.

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

6 With respect to gasohol, as defined in the Use Tax Act, the  
7 tax imposed by this Act applies to (i) 70% of the selling price  
8 of property transferred as an incident to the sale of service  
9 on or after January 1, 1990, and before July 1, 2003, (ii) 80%  
10 of 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, and (iii) 100% of the selling price  
13 thereafter. If, at any time, however, the tax under this Act on  
14 sales of gasohol, as defined in the Use Tax Act, is imposed at  
15 the rate of 1.25%, then the tax imposed by this Act applies to  
16 100% of the proceeds of sales of gasohol made during that time.

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

23 With respect to biodiesel blends, as defined in the Use Tax  
24 Act, with no less than 1% and no more than 10% biodiesel, the  
25 tax imposed by this Act applies to (i) 80% of the selling price  
26 of property transferred as an incident to the sale of service



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

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

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

26 The tax shall be imposed at the rate of 1% on food prepared

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

26 Notwithstanding any other provisions of this Act,

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

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

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

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

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

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

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

25           (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
26 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10.)

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

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

5 1. The name of the seller;

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

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

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

14 5. The amount of tax due;

15 5-5. The signature of the taxpayer; and

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

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

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

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

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

26 Any taxpayer not required to make payments by electronic

1 funds transfer may make payments by electronic funds transfer  
2 with the permission of the Department.

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

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

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

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



1           Such quarter annual and annual returns, as to form and  
2 substance, shall be subject to the same requirements as monthly  
3 returns.

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

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

1 the purchaser.

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

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

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

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

1       diabetics.

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

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

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

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

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

1 preceding sentence and shall reduce the amount otherwise  
2 payable for such fiscal year pursuant to clause (b) of the  
3 preceding sentence. The moneys received by the Department  
4 pursuant to this Act and required to be deposited into the  
5 Build Illinois Fund are subject to the pledge, claim and charge  
6 set forth in Section 12 of the Build Illinois Bond Act.

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

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

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	246,000,000
24	2022	260,000,000
25	2023	275,000,000
26	2024	275,000,000

1	2025	275,000,000
2	2026	279,000,000
3	2027	292,000,000
4	2028	307,000,000
5	2029	322,000,000
6	2030	338,000,000
7	2031	350,000,000
8	2032	350,000,000

9 and

10 each fiscal year  
11 thereafter that bonds  
12 are outstanding under  
13 Section 13.2 of the  
14 Metropolitan Pier and  
15 Exposition Authority Act,  
16 but not after fiscal year 2060.

17 Beginning July 20, 1993 and in each month of each fiscal  
18 year thereafter, one-eighth of the amount requested in the  
19 certificate of the Chairman of the Metropolitan Pier and  
20 Exposition Authority for that fiscal year, less the amount  
21 deposited into the McCormick Place Expansion Project Fund by  
22 the State Treasurer in the respective month under subsection  
23 (g) of Section 13 of the Metropolitan Pier and Exposition  
24 Authority Act, plus cumulative deficiencies in the deposits  
25 required under this Section for previous months and years,  
26 shall be deposited into the McCormick Place Expansion Project



1 Fund, until the full amount requested for the fiscal year, but  
2 not in excess of the amount specified above as "Total Deposit",  
3 has been deposited.

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

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 with the receipt of the first report of  
16 taxes paid by an eligible business and continuing for a 25-year  
17 period, the Department shall each month pay into the Energy  
18 Infrastructure Fund 80% of the net revenue realized from the  
19 6.25% general rate on the selling price of Illinois-mined coal  
20 that was sold to an eligible business. For purposes of this  
21 paragraph, the term "eligible business" means a new electric  
22 generating facility certified pursuant to Section 605-332 of  
23 the Department of Commerce and Economic Opportunity Law of the  
24 Civil Administrative Code of Illinois.

25 All remaining moneys received by the Department pursuant to  
26 this Act shall be paid into the General Revenue Fund of the

1 State Treasury.

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

9 Net revenue realized for a month shall be the revenue  
10 collected by the State pursuant to this Act, less the amount  
11 paid out during that month as refunds to taxpayers for  
12 overpayment of liability.

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

15 Section 20. The Service Occupation Tax Act is amended by  
16 reenacting Sections 3-10 and 9 as follows:

17 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

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

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

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

1           With respect to majority blended ethanol fuel, as defined  
2 in the Use Tax Act, the tax imposed by this Act does not apply  
3 to 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, 2013 but applies to 100% of the selling price  
6 thereafter.

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

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

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

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

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

5 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

6 Sec. 9. Each serviceman required or authorized to collect  
7 the tax herein imposed shall pay to the Department the amount  
8 of such tax at the time when he is required to file his return  
9 for the period during which such tax was collectible, less a  
10 discount of 2.1% prior to January 1, 1990, and 1.75% on and  
11 after January 1, 1990, or \$5 per calendar year, whichever is  
12 greater, which is allowed to reimburse the serviceman for  
13 expenses incurred in collecting the tax, keeping records,  
14 preparing and filing returns, remitting the tax and supplying  
15 data to the Department on request.

16 Where such tangible personal property is sold under a  
17 conditional sales contract, or under any other form of sale  
18 wherein the payment of the principal sum, or a part thereof, is  
19 extended beyond the close of the period for which the return is  
20 filed, the serviceman, in collecting the tax may collect, for  
21 each tax return period, only the tax applicable to the part of  
22 the selling price actually received during such tax return  
23 period.

24 Except as provided hereinafter in this Section, on or  
25 before the twentieth day of each calendar month, such



1 serviceman shall file a return for the preceding calendar month  
2 in accordance with reasonable rules and regulations to be  
3 promulgated by the Department of Revenue. Such return shall be  
4 filed on a form prescribed by the Department and shall contain  
5 such information as the Department may reasonably require.

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 business as a serviceman in this State;

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

20 4. The amount of credit provided in Section 2d of this  
21 Act;

22 5. The amount of tax due;

23 5-5. The signature of the taxpayer; and

24 6. Such other reasonable information as the Department  
25 may require.

26 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,  
2 the return shall be considered valid and any amount shown to be  
3 due on the return shall be deemed assessed.

4 Prior to October 1, 2003, and on and after September 1,  
5 2004 a serviceman may accept a Manufacturer's Purchase Credit  
6 certification from a purchaser in satisfaction of Service Use  
7 Tax as provided in Section 3-70 of the Service Use Tax Act if  
8 the purchaser provides the appropriate documentation as  
9 required by Section 3-70 of the Service Use Tax Act. A  
10 Manufacturer's Purchase Credit certification, accepted prior  
11 to October 1, 2003 or on or after September 1, 2004 by a  
12 serviceman as provided in Section 3-70 of the Service Use Tax  
13 Act, may be used by that serviceman to satisfy Service  
14 Occupation Tax liability in the amount claimed in the  
15 certification, not to exceed 6.25% of the receipts subject to  
16 tax from a qualifying purchase. A Manufacturer's Purchase  
17 Credit reported on any original or amended return filed under  
18 this Act after October 20, 2003 for reporting periods prior to  
19 September 1, 2004 shall be disallowed. Manufacturer's Purchase  
20 Credit reported on annual returns due on or after January 1,  
21 2005 will be disallowed for periods prior to September 1, 2004.  
22 No Manufacturer's Purchase Credit may be used after September  
23 30, 2003 through August 31, 2004 to satisfy any tax liability  
24 imposed under this Act, including any audit liability.

25 If the serviceman's average monthly tax liability to the  
26 Department does not exceed \$200, the Department may authorize

1 his returns to be filed on a quarter annual basis, with the  
2 return for January, February and March of a given year being  
3 due by April 20 of such year; with the return for April, May  
4 and June of a given year being due by July 20 of such year; with  
5 the return for July, August and September of a given year being  
6 due by October 20 of such year, and with the return for  
7 October, November and December of a given year being due by  
8 January 20 of the following year.

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

13 Such quarter annual and annual returns, as to form and  
14 substance, shall be subject to the same requirements as monthly  
15 returns.

16 Notwithstanding any other provision in this Act concerning  
17 the time within which a serviceman may file his return, in the  
18 case of any serviceman who ceases to engage in a kind of  
19 business which makes him responsible for filing returns under  
20 this Act, such serviceman shall file a final return under this  
21 Act with the Department not more than 1 month after  
22 discontinuing such business.

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

1 deduction hereunder upon refunding such tax to the purchaser.

2 If experience indicates such action to be practicable, the  
3 Department may prescribe and furnish a combination or joint  
4 return which will enable servicemen, who are required to file  
5 returns hereunder and also under the Retailers' Occupation Tax  
6 Act, the Use Tax Act or the Service Use Tax Act, to furnish all  
7 the return information required by all said Acts on the one  
8 form.

9 Where the serviceman has more than one business registered  
10 with the Department under separate registrations hereunder,  
11 such serviceman shall file separate returns for each registered  
12 business.

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

22 Beginning January 1, 1990, each month the Department shall  
23 pay into the County and Mass Transit District Fund 4% of the  
24 revenue realized for the preceding month from the 6.25% general  
25 rate.

26 Beginning August 1, 2000, each month the Department shall

1 pay into the County and Mass Transit District Fund 20% of the  
2 net revenue realized for the preceding month from the 1.25%  
3 rate on the selling price of motor fuel and gasohol.

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

8 Beginning August 1, 2000, each month the Department shall  
9 pay into the Local Government Tax Fund 80% of the net revenue  
10 realized for the preceding month from the 1.25% rate on the  
11 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 Of the remainder of the moneys received by the Department  
20 pursuant to this Act, (a) 1.75% thereof shall be paid into the  
21 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on  
22 and after July 1, 1989, 3.8% thereof shall be paid into the  
23 Build Illinois Fund; provided, however, that if in any fiscal  
24 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case  
25 may be, of the moneys received by the Department and required  
26 to be paid into the Build Illinois Fund pursuant to Section 3

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



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

1 payable for such fiscal year pursuant to clause (b) of the  
2 preceding sentence. The moneys received by the Department  
3 pursuant to this Act and required to be deposited into the  
4 Build Illinois Fund are subject to the pledge, claim and charge  
5 set forth in Section 12 of the Build Illinois Bond Act.

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

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

1	2000	75,000,000
2	2001	80,000,000
3	2002	93,000,000
4	2003	99,000,000
5	2004	103,000,000
6	2005	108,000,000
7	2006	113,000,000
8	2007	119,000,000
9	2008	126,000,000
10	2009	132,000,000
11	2010	139,000,000
12	2011	146,000,000
13	2012	153,000,000
14	2013	161,000,000
15	2014	170,000,000
16	2015	179,000,000
17	2016	189,000,000
18	2017	199,000,000
19	2018	210,000,000
20	2019	221,000,000
21	2020	233,000,000
22	2021	246,000,000
23	2022	260,000,000
24	2023	275,000,000
25	2024	275,000,000
26	2025	275,000,000

1	2026	279,000,000
2	2027	292,000,000
3	2028	307,000,000
4	2029	322,000,000
5	2030	338,000,000
6	2031	350,000,000
7	2032	350,000,000

8 and

9 each fiscal year

10 thereafter that bonds

11 are outstanding under

12 Section 13.2 of the

13 Metropolitan Pier and

14 Exposition Authority Act,

15 but not after fiscal year 2060.

16 Beginning July 20, 1993 and in each month of each fiscal  
17 year thereafter, one-eighth of the amount requested in the  
18 certificate of the Chairman of the Metropolitan Pier and  
19 Exposition Authority for that fiscal year, less the amount  
20 deposited into the McCormick Place Expansion Project Fund by  
21 the State Treasurer in the respective month under subsection  
22 (g) of Section 13 of the Metropolitan Pier and Exposition  
23 Authority Act, plus cumulative deficiencies in the deposits  
24 required under this Section for previous months and years,  
25 shall be deposited into the McCormick Place Expansion Project  
26 Fund, until the full amount requested for the fiscal year, but

1 not in excess of the amount specified above as "Total Deposit",  
2 has been deposited.

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

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

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

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

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

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

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

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

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

23          As soon as possible after the first day of each month, upon  
24          certification of the Department of Revenue, the Comptroller  
25          shall order transferred and the Treasurer shall transfer from  
26          the General Revenue Fund to the Motor Fuel Tax Fund an amount

1 equal to 1.7% of 80% of the net revenue realized under this Act  
2 for the second preceding month. Beginning April 1, 2000, this  
3 transfer is no longer required and shall not be made.

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

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

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

18 Section 25. The Retailers' Occupation Tax Act is amended by  
19 reenacting Sections 2-10 and 3 as follows:

20 (35 ILCS 120/2-10)

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



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

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

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

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

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

7 With respect to majority blended ethanol fuel, as defined  
8 in the Use Tax Act, the tax imposed by this Act does not apply  
9 to the proceeds of sales made on or after July 1, 2003 and on or  
10 before December 31, 2013 but applies to 100% of the proceeds of  
11 sales made 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 proceeds of  
15 sales made on or after July 1, 2003 and on or before December  
16 31, 2013 and (ii) 100% of the proceeds of sales made  
17 thereafter. If, at any time, however, the tax under this Act on  
18 sales of biodiesel blends, as defined in the Use Tax Act, with  
19 no less than 1% and no more than 10% biodiesel is imposed at  
20 the rate of 1.25%, then the tax imposed by this Act applies to  
21 100% of the proceeds of sales of biodiesel blends with no less  
22 than 1% and no more than 10% biodiesel made during that time.

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

1 after July 1, 2003 and on or before December 31, 2013 but  
2 applies to 100% of the proceeds of sales made thereafter.

3 With respect to food for human consumption that is to be  
4 consumed off the premises where it is sold (other than  
5 alcoholic beverages, soft drinks, and food that has been  
6 prepared for immediate consumption) and prescription and  
7 nonprescription medicines, drugs, medical appliances,  
8 modifications to a motor vehicle for the purpose of rendering  
9 it usable by a disabled person, and insulin, urine testing  
10 materials, syringes, and needles used by diabetics, for human  
11 use, the tax is imposed at the rate of 1%. For the purposes of  
12 this Section, until September 1, 2009: the term "soft drinks"  
13 means any complete, finished, ready-to-use, non-alcoholic  
14 drink, whether carbonated or not, including but not limited to  
15 soda water, cola, fruit juice, vegetable juice, carbonated  
16 water, and all other preparations commonly known as soft drinks  
17 of whatever kind or description that are contained in any  
18 closed or sealed bottle, can, carton, or container, regardless  
19 of size; but "soft drinks" does not include coffee, tea,  
20 non-carbonated water, infant formula, milk or milk products as  
21 defined in the Grade A Pasteurized Milk and Milk Products Act,  
22 or drinks containing 50% or more natural fruit or vegetable  
23 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 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,  
17 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10.)

18 (35 ILCS 120/3) (from Ch. 120, par. 442)

19 Sec. 3. Except as provided in this Section, on or before  
20 the twentieth day of each calendar month, every person engaged  
21 in the business of selling tangible personal property at retail  
22 in this State during the preceding calendar month shall file a  
23 return with the Department, stating:

24 1. The name of the seller;

25 2. His residence address and the address of his

1 principal place of business and the address of the  
2 principal place of business (if that is a different  
3 address) from which he engages in the business of selling  
4 tangible personal property at retail in this State;

5 3. Total amount of receipts received by him during the  
6 preceding calendar month or quarter, as the case may be,  
7 from sales of tangible personal property, and from services  
8 furnished, by him during such preceding calendar month or  
9 quarter;

10 4. Total amount received by him during the preceding  
11 calendar month or quarter on charge and time sales of  
12 tangible personal property, and from services furnished,  
13 by him prior to the month or quarter for which the return  
14 is filed;

15 5. Deductions allowed by law;

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

19 7. The amount of credit provided in Section 2d of this  
20 Act;

21 8. The amount of tax due;

22 9. The signature of the taxpayer; and

23 10. Such other reasonable information as the  
24 Department may require.

25 If a taxpayer fails to sign a return within 30 days after  
26 the proper notice and demand for signature by the Department,

1 the return shall be considered valid and any amount shown to be  
2 due on the return shall be deemed assessed.

3 Each return shall be accompanied by the statement of  
4 prepaid tax issued pursuant to Section 2e for which credit is  
5 claimed.

6 Prior to October 1, 2003, and on and after September 1,  
7 2004 a retailer may accept a Manufacturer's Purchase Credit  
8 certification from a purchaser in satisfaction of Use Tax as  
9 provided in Section 3-85 of the Use Tax Act if the purchaser  
10 provides the appropriate documentation as required by Section  
11 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
12 certification, accepted by a retailer prior to October 1, 2003  
13 and on and after September 1, 2004 as provided in Section 3-85  
14 of the Use Tax Act, may be used by that retailer to satisfy  
15 Retailers' Occupation Tax liability in the amount claimed in  
16 the certification, not to exceed 6.25% of the receipts subject  
17 to tax from a qualifying purchase. A Manufacturer's Purchase  
18 Credit reported on any original or amended return filed under  
19 this Act after October 20, 2003 for reporting periods prior to  
20 September 1, 2004 shall be disallowed. Manufacturer's  
21 Purchaser Credit reported on annual returns due on or after  
22 January 1, 2005 will be disallowed for periods prior to  
23 September 1, 2004. No Manufacturer's Purchase Credit may be  
24 used after September 30, 2003 through August 31, 2004 to  
25 satisfy any tax liability imposed under this Act, including any  
26 audit liability.

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

8           1. The name of the seller;

9           2. The address of the principal place of business from  
10 which he engages in the business of selling tangible  
11 personal property at retail in this State;

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

17           4. The amount of credit provided in Section 2d of this  
18 Act;

19           5. The amount of tax due; and

20           6. Such other reasonable information as the Department  
21 may require.

22           Beginning on October 1, 2003, any person who is not a  
23 licensed distributor, importing distributor, or manufacturer,  
24 as defined in the Liquor Control Act of 1934, but is engaged in  
25 the business of selling, at retail, alcoholic liquor shall file  
26 a statement with the Department of Revenue, in a format and at



1 a time prescribed by the Department, showing the total amount  
2 paid for alcoholic liquor purchased during the preceding month  
3 and such other information as is reasonably required by the  
4 Department. The Department may adopt rules to require that this  
5 statement be filed in an electronic or telephonic format. Such  
6 rules may provide for exceptions from the filing requirements  
7 of this paragraph. For the purposes of this paragraph, the term  
8 "alcoholic liquor" shall have the meaning prescribed in the  
9 Liquor Control Act of 1934.

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

1 for the preceding month during which the transaction occurred.  
2 The distributor, importing distributor, or manufacturer shall  
3 notify the retailer as to the method by which the distributor,  
4 importing distributor, or manufacturer will provide the sales  
5 information. If the retailer is unable to receive the sales  
6 information by electronic means, the distributor, importing  
7 distributor, or manufacturer shall furnish the sales  
8 information by personal delivery or by mail. For purposes of  
9 this paragraph, the term "electronic means" includes, but is  
10 not limited to, the use of a secure Internet website, e-mail,  
11 or facsimile.

12 If a total amount of less than \$1 is payable, refundable or  
13 creditable, such amount shall be disregarded if it is less than  
14 50 cents and shall be increased to \$1 if it is 50 cents or more.

15 Beginning October 1, 1993, a taxpayer who has an average  
16 monthly tax liability of \$150,000 or more shall make all  
17 payments required by rules of the Department by electronic  
18 funds transfer. Beginning October 1, 1994, a taxpayer who has  
19 an average monthly tax liability of \$100,000 or more shall make  
20 all payments required by rules of the Department by electronic  
21 funds transfer. Beginning October 1, 1995, a taxpayer who has  
22 an average monthly tax liability of \$50,000 or more shall make  
23 all payments required by rules of the Department by electronic  
24 funds transfer. Beginning October 1, 2000, a taxpayer who has  
25 an annual tax liability of \$200,000 or more shall make all  
26 payments required by rules of the Department by electronic

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

14 Before August 1 of each year beginning in 1993, the  
15 Department shall notify all taxpayers required to make payments  
16 by electronic funds transfer. All taxpayers required to make  
17 payments by electronic funds transfer shall make those payments  
18 for a minimum of one year beginning on October 1.

19 Any taxpayer not required to make payments by electronic  
20 funds transfer may make payments by electronic funds transfer  
21 with the permission of the Department.

22 All taxpayers required to make payment by electronic funds  
23 transfer and any taxpayers authorized to voluntarily make  
24 payments by electronic funds transfer shall make those payments  
25 in the manner authorized by the Department.

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the  
2 requirements of this Section.

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

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

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

1           Such quarter annual and annual returns, as to form and  
2 substance, shall be subject to the same requirements as monthly  
3 returns.

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

11           Where the same person has more than one business registered  
12 with the Department under separate registrations under this  
13 Act, such person may not file each return that is due as a  
14 single return covering all such registered businesses, but  
15 shall file separate returns for each such registered business.

16           In addition, with respect to motor vehicles, watercraft,  
17 aircraft, and trailers that are required to be registered with  
18 an agency of this State, every retailer selling this kind of  
19 tangible personal property shall file, with the Department,  
20 upon a form to be prescribed and supplied by the Department, a  
21 separate return for each such item of tangible personal  
22 property which the retailer sells, except that if, in the same  
23 transaction, (i) a retailer of aircraft, watercraft, motor  
24 vehicles or trailers transfers more than one aircraft,  
25 watercraft, motor vehicle or trailer to another aircraft,  
26 watercraft, motor vehicle retailer or trailer retailer for the

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

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

21 The transaction reporting return, in the case of motor  
22 vehicles or trailers that are required to be registered with an  
23 agency of this State, shall be the same document as the Uniform  
24 Invoice referred to in Section 5-402 of The Illinois Vehicle  
25 Code and must show the name and address of the seller; the name  
26 and address of the purchaser; the amount of the selling price

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

16 The transaction reporting return in the case of watercraft  
17 or aircraft must show the name and address of the seller; the  
18 name and address of the purchaser; the amount of the selling  
19 price including the amount allowed by the retailer for  
20 traded-in property, if any; the amount allowed by the retailer  
21 for the traded-in tangible personal property, if any, to the  
22 extent to which Section 1 of this Act allows an exemption for  
23 the value of traded-in property; the balance payable after  
24 deducting such trade-in allowance from the total selling price;  
25 the amount of tax due from the retailer with respect to such  
26 transaction; the amount of tax collected from the purchaser by

1 the retailer on such transaction (or satisfactory evidence that  
2 such tax is not due in that particular instance, if that is  
3 claimed to be the fact); the place and date of the sale, a  
4 sufficient identification of the property sold, and such other  
5 information as the Department may reasonably require.

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

18 With each such transaction reporting return, the retailer  
19 shall remit the proper amount of tax due (or shall submit  
20 satisfactory evidence that the sale is not taxable if that is  
21 the case), to the Department or its agents, whereupon the  
22 Department shall issue, in the purchaser's name, a use tax  
23 receipt (or a certificate of exemption if the Department is  
24 satisfied that the particular sale is tax exempt) which such  
25 purchaser may submit to the agency with which, or State officer  
26 with whom, he must title or register the tangible personal



1 property that is involved (if titling or registration is  
2 required) in support of such purchaser's application for an  
3 Illinois certificate or other evidence of title or registration  
4 to such tangible personal property.

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

13 If the user who would otherwise pay tax to the retailer  
14 wants the transaction reporting return filed and the payment of  
15 the tax or proof of exemption made to the Department before the  
16 retailer is willing to take these actions and such user has not  
17 paid the tax to the retailer, such user may certify to the fact  
18 of such delay by the retailer and may (upon the Department  
19 being satisfied of the truth of such certification) transmit  
20 the information required by the transaction reporting return  
21 and the remittance for tax or proof of exemption directly to  
22 the Department and obtain his tax receipt or exemption  
23 determination, in which event the transaction reporting return  
24 and tax remittance (if a tax payment was required) shall be  
25 credited by the Department to the proper retailer's account  
26 with the Department, but without the 2.1% or 1.75% discount

1 provided for in this Section being allowed. When the user pays  
2 the tax directly to the Department, he shall pay the tax in the  
3 same amount and in the same form in which it would be remitted  
4 if the tax had been remitted to the Department by the retailer.

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

13 Where the seller is a corporation, the return filed on  
14 behalf of such corporation shall be signed by the president,  
15 vice-president, secretary or treasurer or by the properly  
16 accredited agent of such corporation.

17 Where the seller is a limited liability company, the return  
18 filed on behalf of the limited liability company shall be  
19 signed by a manager, member, or properly accredited agent of  
20 the limited liability company.

21 Except as provided in this Section, the retailer filing the  
22 return under this Section shall, at the time of filing such  
23 return, pay to the Department the amount of tax imposed by this  
24 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
25 on and after January 1, 1990, or \$5 per calendar year,  
26 whichever is greater, which is allowed to reimburse the

1 retailer for the expenses incurred in keeping records,  
2 preparing and filing returns, remitting the tax and supplying  
3 data to the Department on request. Any prepayment made pursuant  
4 to Section 2d of this Act shall be included in the amount on  
5 which such 2.1% or 1.75% discount is computed. In the case of  
6 retailers who report and pay the tax on a transaction by  
7 transaction basis, as provided in this Section, such discount  
8 shall be taken with each such tax remittance instead of when  
9 such retailer files his periodic return.

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

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

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

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

1 payments for that month to the Department in excess of the  
2 minimum payments previously due as provided in this Section.  
3 The Department shall make reasonable rules and regulations to  
4 govern the quarter monthly payment amount and quarter monthly  
5 payment dates for taxpayers who file on other than a calendar  
6 monthly basis.

7 The provisions of this paragraph apply before October 1,  
8 2001. Without regard to whether a taxpayer is required to make  
9 quarter monthly payments as specified above, any taxpayer who  
10 is required by Section 2d of this Act to collect and remit  
11 prepaid taxes and has collected prepaid taxes which average in  
12 excess of \$25,000 per month during the preceding 2 complete  
13 calendar quarters, shall file a return with the Department as  
14 required by Section 2f and shall make payments to the  
15 Department on or before the 7th, 15th, 22nd and last day of the  
16 month during which such liability is incurred. If the month  
17 during which such tax liability is incurred began prior to the  
18 effective date of this amendatory Act of 1985, each payment  
19 shall be in an amount not less than 22.5% of the taxpayer's  
20 actual liability under Section 2d. If the month during which  
21 such tax liability is incurred begins on or after January 1,  
22 1986, each payment shall be in an amount equal to 22.5% of the  
23 taxpayer's actual liability for the month or 27.5% of the  
24 taxpayer's liability for the same calendar month of the  
25 preceding calendar year. If the month during which such tax  
26 liability is incurred begins on or after January 1, 1987, each

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

17 The provisions of this paragraph apply on and after October  
18 1, 2001. Without regard to whether a taxpayer is required to  
19 make quarter monthly payments as specified above, any taxpayer  
20 who is required by Section 2d of this Act to collect and remit  
21 prepaid taxes and has collected prepaid taxes that average in  
22 excess of \$20,000 per month during the preceding 4 complete  
23 calendar quarters shall file a return with the Department as  
24 required by Section 2f and shall make payments to the  
25 Department on or before the 7th, 15th, 22nd and last day of the  
26 month during which the liability is incurred. Each payment



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

21 If any payment provided for in this Section exceeds the  
22 taxpayer's liabilities under this Act, the Use Tax Act, the  
23 Service Occupation Tax Act and the Service Use Tax Act, as  
24 shown on an original monthly return, the Department shall, if  
25 requested by the taxpayer, issue to the taxpayer a credit  
26 memorandum no later than 30 days after the date of payment. The

1 credit evidenced by such credit memorandum may be assigned by  
2 the taxpayer to a similar taxpayer under this Act, the Use Tax  
3 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
4 in accordance with reasonable rules and regulations to be  
5 prescribed by the Department. If no such request is made, the  
6 taxpayer may credit such excess payment against tax liability  
7 subsequently to be remitted to the Department under this Act,  
8 the Use Tax Act, the Service Occupation Tax Act or the Service  
9 Use Tax Act, in accordance with reasonable rules and  
10 regulations prescribed by the Department. If the Department  
11 subsequently determined that all or any part of the credit  
12 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
13 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
14 of the difference between the credit taken and that actually  
15 due, and that taxpayer shall be liable for penalties and  
16 interest on such difference.

17 If a retailer of motor fuel is entitled to a credit under  
18 Section 2d of this Act which exceeds the taxpayer's liability  
19 to the Department under this Act for the month which the  
20 taxpayer is filing a return, the Department shall issue the  
21 taxpayer a credit memorandum for the excess.

22 Beginning January 1, 1990, each month the Department shall  
23 pay into the Local Government Tax Fund, a special fund in the  
24 State treasury which is hereby created, the net revenue  
25 realized for the preceding month from the 1% tax on sales of  
26 food for human consumption which is to be consumed off the

1 premises where it is sold (other than alcoholic beverages, soft  
2 drinks and food which has been prepared for immediate  
3 consumption) and prescription and nonprescription medicines,  
4 drugs, medical appliances and insulin, urine testing  
5 materials, syringes and needles used by diabetics.

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

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

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

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

1 2010, each month the Department shall pay into the Local  
2 Government Tax Fund 80% of the net revenue realized for the  
3 preceding month from the 1.25% rate on the selling price of  
4 sales tax holiday items.

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

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.

Fiscal Year	Total Deposit
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 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. 95-331, eff. 8-21-07; 96-34, eff. 7-13-09; 96-38,  
10 eff. 7-13-09; 96-898, eff. 5-27-10; 96-1012, eff. 7-7-10;  
11 revised 7-22-10.)

12 Section 40. The Illinois Vehicle Code is amended by  
13 reenacting Sections 3-806, 3-808, 3-815, 3-821, and 6-305.3 and  
14 reenacting and changing Section 6-118 as follows:

15 (625 ILCS 5/3-806) (from Ch. 95 1/2, par. 3-806)

16 Sec. 3-806. Registration Fees; Motor Vehicles of the First  
17 Division. Every owner of any other motor vehicle of the first  
18 division, except as provided in Sections 3-804, 3-805, 3-806.3,  
19 3-806.7, and 3-808, and every second division vehicle weighing  
20 8,000 pounds or less, shall pay the Secretary of State an  
21 annual registration fee at the following rates:

22 SCHEDULE OF REGISTRATION FEES

23 REQUIRED BY LAW

1                   Beginning with the 2010 registration year  
2                                   Annual  
3                                   Fee

4	Motor vehicles of the first	
5	division other than	
6	Motorcycles, Motor Driven	
7	Cycles and Pedalcycles	\$98
8	Motorcycles, Motor Driven	
9	Cycles and Pedalcycles	38

10           Beginning with the 2010 registration year a \$1 surcharge  
11   shall be collected in addition to the above fees for motor  
12   vehicles of the first division, motorcycles, motor driven  
13   cycles, and pedalcycles to be deposited into the State Police  
14   Vehicle Fund.

15           All of the proceeds of the additional fees imposed by  
16   Public Act 96-34 shall be deposited into the Capital Projects  
17   Fund.

18   (Source: P.A. 95-1009, eff. 12-15-08; 96-34, eff. 7-13-09;  
19   96-747, eff. 1-1-10; 96-1000, eff. 7-2-10.)

20           (625 ILCS 5/3-808) (from Ch. 95 1/2, par. 3-808)

21           Sec. 3-808. Governmental and charitable vehicles;  
22   Registration fees.

23           (a) A registration fee of \$10 per 2 year registration  
24   period shall be paid by the owner in the following cases:

25           1. Vehicles operated exclusively as a school bus for



1 school purposes by any school district or any religious or  
2 denominational institution, except that such a school bus  
3 may be used by such a religious or denominational  
4 institution for the transportation of persons to or from  
5 any of its official activities.

6 2. Vehicles operated exclusively in a high school  
7 driver training program by any school district or school  
8 operated by a religious institution.

9 3. Rescue squad vehicles which are owned and operated  
10 by a corporation or association organized and operated not  
11 for profit for the purpose of conducting such rescue  
12 operations.

13 4. Vehicles, used exclusively as school buses for any  
14 school district, which are neither owned nor operated by  
15 such district.

16 5. Charitable vehicles.

17 (b) Annual vehicle registration plates shall be issued, at  
18 no charge, to the following:

19 1. Medical transport vehicles owned and operated by the  
20 State of Illinois or by any State agency financed by funds  
21 appropriated by the General Assembly.

22 2. Medical transport vehicles operated by or for any  
23 county, township or municipal corporation.

24 (c) Ceremonial plates. Upon payment of a registration fee  
25 of \$98 per 2-year registration period, the Secretary of State  
26 shall issue registration plates to vehicles operated

1 exclusively for ceremonial purposes by any not-for-profit  
2 veterans', fraternal, or civic organization. The Secretary of  
3 State may prescribe that ceremonial vehicle registration  
4 plates be issued for an indefinite term, that term to  
5 correspond to the term of registration plates issued generally,  
6 as provided in Section 3-414.1.

7 All of the proceeds of the additional fees imposed by this  
8 amendatory Act of the 96th General Assembly shall be deposited  
9 into the Capital Projects Fund.

10 (d) In any event, any vehicle registered under this Section  
11 used or operated for purposes other than those herein  
12 prescribed shall be subject to revocation, and in that event,  
13 the owner may be required to properly register such vehicle  
14 under the provisions of this Code.

15 (e) As a prerequisite to registration under this Section,  
16 the Secretary of State may require the vehicle owners listed in  
17 subsection (a) of this Section who are exempt from federal  
18 income taxation under subsection (c) of Section 501 of the  
19 Internal Revenue Code of 1986, as now or hereafter amended, to  
20 submit to him a determination letter, ruling or other written  
21 evidence of tax exempt status issued by the Internal Revenue  
22 Service. The Secretary may accept a certified copy of the  
23 document issued by the Internal Revenue Service as evidence of  
24 the exemption. The Secretary may require documentation of  
25 eligibility under this Section to accompany an application for  
26 registration.

1 (f) Special event plates. The Secretary of State may issue  
2 registration plates in recognition or commemoration of special  
3 events which promote the interests of Illinois citizens. These  
4 plates shall be valid for no more than 60 days prior to the  
5 date of expiration. The Secretary shall require the applicant  
6 for such plates to pay for the costs of furnishing the plates.

7 Beginning July 1, 1991, all special event plates shall be  
8 recorded in the Secretary of State's files for immediate  
9 identification.

10 The Secretary of State, upon issuing a new series of  
11 special event plates, shall notify all law enforcement  
12 officials of the design and other special features of the  
13 special plate series.

14 All special event plates shall indicate, in the lower right  
15 corner, the date of expiration in characters no less than 1/2  
16 inch high.

17 (Source: P.A. 96-34, eff. 7-13-09.)

18 (625 ILCS 5/3-815) (from Ch. 95 1/2, par. 3-815)

19 Sec. 3-815. Flat weight tax; vehicles of the second  
20 division.

21 (a) Except as provided in Section 3-806.3, every owner of a  
22 vehicle of the second division registered under Section 3-813,  
23 and not registered under the mileage weight tax under Section  
24 3-818, shall pay to the Secretary of State, for each  
25 registration year, for the use of the public highways, a flat

1 weight tax at the rates set forth in the following table, the  
 2 rates including the \$10 registration fee:

3 SCHEDULE OF FLAT WEIGHT TAX

4 REQUIRED BY LAW

5 Gross Weight in Lbs.		6 Total Fees
7 Including Vehicle		8 each Fiscal
9 and Maximum		10 year
11 Load	12 Class	
13 8,000 lbs. and less	B	\$98
14 8,001 lbs. to 12,000 lbs.	D	138
15 12,001 lbs. to 16,000 lbs.	F	242
16 16,001 lbs. to 26,000 lbs.	H	490
17 26,001 lbs. to 28,000 lbs.	J	630
18 28,001 lbs. to 32,000 lbs.	K	842
19 32,001 lbs. to 36,000 lbs.	L	982
20 36,001 lbs. to 40,000 lbs.	N	1,202
21 40,001 lbs. to 45,000 lbs.	P	1,390
22 45,001 lbs. to 50,000 lbs.	Q	1,538
23 50,001 lbs. to 54,999 lbs.	R	1,698
24 55,000 lbs. to 59,500 lbs.	S	1,830
25 59,501 lbs. to 64,000 lbs.	T	1,970
26 64,001 lbs. to 73,280 lbs.	V	2,294
73,281 lbs. to 77,000 lbs.	X	2,622
77,001 lbs. to 80,000 lbs.	Z	2,790

25 Beginning with the 2010 registration year a \$1 surcharge  
 26 shall be collected for vehicles registered in the 8,000 lbs.

1 and less flat weight plate category above to be deposited into  
2 the State Police Vehicle Fund.

3 All of the proceeds of the additional fees imposed by this  
4 amendatory Act of the 96th General Assembly shall be deposited  
5 into the Capital Projects Fund.

6 (a-1) A Special Hauling Vehicle is a vehicle or combination  
7 of vehicles of the second division registered under Section  
8 3-813 transporting asphalt or concrete in the plastic state or  
9 a vehicle or combination of vehicles that are subject to the  
10 gross weight limitations in subsection (b) of Section 15-111  
11 for which the owner of the vehicle or combination of vehicles  
12 has elected to pay, in addition to the registration fee in  
13 subsection (a), \$125 to the Secretary of State for each  
14 registration year. The Secretary shall designate this class of  
15 vehicle as a Special Hauling Vehicle.

16 (b) Except as provided in Section 3-806.3, every camping  
17 trailer, motor home, mini motor home, travel trailer, truck  
18 camper or van camper used primarily for recreational purposes,  
19 and not used commercially, nor for hire, nor owned by a  
20 commercial business, may be registered for each registration  
21 year upon the filing of a proper application and the payment of  
22 a registration fee and highway use tax, according to the  
23 following table of fees:

MOTOR HOME, MINI MOTOR HOME, TRUCK CAMPER OR VAN CAMPER	Total Fees
Gross Weight in Lbs.	Each
Including Vehicle and	

1	Maximum Load	Calendar Year
2	8,000 lbs and less	\$78
3	8,001 Lbs. to 10,000 Lbs	90
4	10,001 Lbs. and Over	102

5 CAMPING TRAILER OR TRAVEL TRAILER

6	Gross Weight in Lbs.	Total Fees
7	Including Vehicle and	Each
8	Maximum Load	Calendar Year
9	3,000 Lbs. and Less	\$18
10	3,001 Lbs. to 8,000 Lbs.	30
11	8,001 Lbs. to 10,000 Lbs.	38
12	10,001 Lbs. and Over	50

13 Every house trailer must be registered under Section 3-819.

14 (c) Farm Truck. Any truck used exclusively for the owner's  
 15 own agricultural, horticultural or livestock raising  
 16 operations and not-for-hire only, or any truck used only in the  
 17 transportation for-hire of seasonal, fresh, perishable fruit  
 18 or vegetables from farm to the point of first processing, may  
 19 be registered by the owner under this paragraph in lieu of  
 20 registration under paragraph (a), upon filing of a proper  
 21 application and the payment of the \$10 registration fee and the  
 22 highway use tax herein specified as follows:

23 SCHEDULE OF FEES AND TAXES

24	Gross Weight in Lbs.	Total Amount for
25	Including Truck and	each
26	Maximum Load	Fiscal Year
	Class	

1	16,000 lbs. or less	VF	\$150
2	16,001 to 20,000 lbs.	VG	226
3	20,001 to 24,000 lbs.	VH	290
4	24,001 to 28,000 lbs.	VJ	378
5	28,001 to 32,000 lbs.	VK	506
6	32,001 to 36,000 lbs.	VL	610
7	36,001 to 45,000 lbs.	VP	810
8	45,001 to 54,999 lbs.	VR	1,026
9	55,000 to 64,000 lbs.	VT	1,202
10	64,001 to 73,280 lbs.	VV	1,290
11	73,281 to 77,000 lbs.	VX	1,350
12	77,001 to 80,000 lbs.	VZ	1,490

13           In the event the Secretary of State revokes a farm truck  
14 registration as authorized by law, the owner shall pay the flat  
15 weight tax due hereunder before operating such truck.

16           Any combination of vehicles having 5 axles, with a distance  
17 of 42 feet or less between extreme axles, that are subject to  
18 the weight limitations in subsection (a) and (b) of Section  
19 15-111 for which the owner of the combination of vehicles has  
20 elected to pay, in addition to the registration fee in  
21 subsection (c), \$125 to the Secretary of State for each  
22 registration year shall be designated by the Secretary as a  
23 Special Hauling Vehicle.

24           (d) The number of axles necessary to carry the maximum load  
25 provided shall be determined from Chapter 15 of this Code.

26           (e) An owner may only apply for and receive 5 farm truck

1 registrations, and only 2 of those 5 vehicles shall exceed  
2 59,500 gross weight in pounds per vehicle.

3 (f) Every person convicted of violating this Section by  
4 failure to pay the appropriate flat weight tax to the Secretary  
5 of State as set forth in the above tables shall be punished as  
6 provided for in Section 3-401.

7 (Source: P.A. 95-1009, eff. 12-15-08; 96-34, eff. 7-13-09.)

8 (625 ILCS 5/3-821) (from Ch. 95 1/2, par. 3-821)

9 Sec. 3-821. Miscellaneous Registration and Title Fees.

10 (a) The fee to be paid to the Secretary of State for the  
11 following certificates, registrations or evidences of proper  
12 registration, or for corrected or duplicate documents shall be  
13 in accordance with the following schedule:

14 Certificate of Title, except for an all-terrain 15 vehicle or off-highway motorcycle	\$95
16 Certificate of Title for an all-terrain vehicle 17 or off-highway motorcycle	\$30
18 Certificate of Title for an all-terrain vehicle 19 or off-highway motorcycle used for production 20 agriculture, or accepted by a dealer in trade	13
21 Certificate of Title for a low-speed vehicle	30
22 Transfer of Registration or any evidence of 23 proper registration	\$25
24 Duplicate Registration Card for plates or other 25 evidence of proper registration	3



1	Duplicate Registration Sticker or Stickers, each	20
2	Duplicate Certificate of Title	95
3	Corrected Registration Card or Card for other	
4	evidence of proper registration	3
5	Corrected Certificate of Title	95
6	Salvage Certificate	4
7	Fleet Reciprocity Permit	15
8	Prorate Decal	1
9	Prorate Backing Plate	3
10	Special Corrected Certificate of Title	15
11	Expedited Title Service (to be charged in addition	
12	to other applicable fees)	30

13 A special corrected certificate of title shall be issued  
 14 (i) to remove a co-owner's name due to the death of the  
 15 co-owner or due to a divorce or (ii) to change a co-owner's  
 16 name due to a marriage.

17 There shall be no fee paid for a Junking Certificate.

18 There shall be no fee paid for a certificate of title  
 19 issued to a county when the vehicle is forfeited to the county  
 20 under Article 36 of the Criminal Code of 1961.

21 (a-5) The Secretary of State may revoke a certificate of  
 22 title and registration card and issue a corrected certificate  
 23 of title and registration card, at no fee to the vehicle owner  
 24 or lienholder, if there is proof that the vehicle  
 25 identification number is erroneously shown on the original  
 26 certificate of title.

1           (b) The Secretary may prescribe the maximum service charge  
2 to be imposed upon an applicant for renewal of a registration  
3 by any person authorized by law to receive and remit or  
4 transmit to the Secretary such renewal application and fees  
5 therewith.

6           (c) If a check is delivered to the Office of the Secretary  
7 of State as payment of any fee or tax under this Code, and such  
8 check is not honored by the bank on which it is drawn for any  
9 reason, the registrant or other person tendering the check  
10 remains liable for the payment of such fee or tax. The  
11 Secretary of State may assess a service charge of \$19 in  
12 addition to the fee or tax due and owing for all dishonored  
13 checks.

14           If the total amount then due and owing exceeds the sum of  
15 \$50 and has not been paid in full within 60 days from the date  
16 such fee or tax became due to the Secretary of State, the  
17 Secretary of State shall assess a penalty of 25% of such amount  
18 remaining unpaid.

19           All amounts payable under this Section shall be computed to  
20 the nearest dollar.

21           (d) The minimum fee and tax to be paid by any applicant for  
22 apportionment of a fleet of vehicles under this Code shall be  
23 \$15 if the application was filed on or before the date  
24 specified by the Secretary together with fees and taxes due. If  
25 an application and the fees or taxes due are filed after the  
26 date specified by the Secretary, the Secretary may prescribe

1 the payment of interest at the rate of 1/2 of 1% per month or  
2 fraction thereof after such due date and a minimum of \$8.

3 (e) Trucks, truck tractors, truck tractors with loads, and  
4 motor buses, any one of which having a combined total weight in  
5 excess of 12,000 lbs. shall file an application for a Fleet  
6 Reciprocity Permit issued by the Secretary of State. This  
7 permit shall be in the possession of any driver operating a  
8 vehicle on Illinois highways. Any foreign licensed vehicle of  
9 the second division operating at any time in Illinois without a  
10 Fleet Reciprocity Permit or other proper Illinois  
11 registration, shall subject the operator to the penalties  
12 provided in Section 3-834 of this Code. For the purposes of  
13 this Code, "Fleet Reciprocity Permit" means any second division  
14 motor vehicle with a foreign license and used only in  
15 interstate transportation of goods. The fee for such permit  
16 shall be \$15 per fleet which shall include all vehicles of the  
17 fleet being registered.

18 (f) For purposes of this Section, "all-terrain vehicle or  
19 off-highway motorcycle used for production agriculture" means  
20 any all-terrain vehicle or off-highway motorcycle used in the  
21 raising of or the propagation of livestock, crops for sale for  
22 human consumption, crops for livestock consumption, and  
23 production seed stock grown for the propagation of feed grains  
24 and the husbandry of animals or for the purpose of providing a  
25 food product, including the husbandry of blood stock as a main  
26 source of providing a food product. "All-terrain vehicle or

1 off-highway motorcycle used in production agriculture" also  
2 means any all-terrain vehicle or off-highway motorcycle used in  
3 animal husbandry, floriculture, aquaculture, horticulture, and  
4 viticulture.

5 (g) All of the proceeds of the additional fees imposed by  
6 Public Act 96-34 shall be deposited into the Capital Projects  
7 Fund.

8 (Source: P.A. 95-287, eff. 1-1-08; 96-34, eff. 7-13-09; 96-554,  
9 eff. 1-1-10; 96-653, eff. 1-1-10; 96-1000, eff. 7-2-10;  
10 96-1274, eff. 7-26-10.)

11 (625 ILCS 5/6-118)

12 (Text of Section before amendment by P.A. 96-1344)

13 Sec. 6-118. Fees.

14 (a) The fee for licenses and permits under this Article is  
15 as follows:

16	Original driver's license .....	\$30
17	Original or renewal driver's license	
18	issued to 18, 19 and 20 year olds .....	5
19	All driver's licenses for persons	
20	age 69 through age 80 .....	5
21	All driver's licenses for persons	
22	age 81 through age 86 .....	2
23	All driver's licenses for persons	
24	age 87 or older .....	0
25	Renewal driver's license (except for	

1 applicants ages 18, 19 and 20 or  
2 age 69 and older) ..... 30  
3 Original instruction permit issued to  
4 persons (except those age 69 and older)  
5 who do not hold or have not previously  
6 held an Illinois instruction permit or  
7 driver's license ..... 20  
8 Instruction permit issued to any person  
9 holding an Illinois driver's license  
10 who wishes a change in classifications,  
11 other than at the time of renewal ..... 5  
12 Any instruction permit issued to a person  
13 age 69 and older ..... 5  
14 Instruction permit issued to any person,  
15 under age 69, not currently holding a  
16 valid Illinois driver's license or  
17 instruction permit but who has  
18 previously been issued either document  
19 in Illinois ..... 10  
20 Restricted driving permit ..... 8  
21 Monitoring device driving permit ..... 8  
22 Duplicate or corrected driver's license  
23 or permit ..... 5  
24 Duplicate or corrected restricted  
25 driving permit ..... 5  
26 Duplicate or corrected monitoring

1 device driving permit ..... 5  
 2 Duplicate driver's license or permit issued to  
 3 an active-duty member of the  
 4 United States Armed Forces,  
 5 the member's spouse, or  
 6 the dependent children living  
 7 with the member ..... 0

8 Original or renewal M or L endorsement..... 5

9 SPECIAL FEES FOR COMMERCIAL DRIVER'S LICENSE

10 The fees for commercial driver licenses and permits  
 11 under Article V shall be as follows:

12 Commercial driver's license:

13 \$6 for the CDLIS/AAMVAnet Trust Fund  
 14 (Commercial Driver's License Information  
 15 System/American Association of Motor Vehicle  
 16 Administrators network Trust Fund);  
 17 \$20 for the Motor Carrier Safety Inspection Fund;  
 18 \$10 for the driver's license;  
 19 and \$24 for the CDL: ..... \$60

20 Renewal commercial driver's license:

21 \$6 for the CDLIS/AAMVAnet Trust Fund;  
 22 \$20 for the Motor Carrier Safety Inspection Fund;  
 23 \$10 for the driver's license; and  
 24 \$24 for the CDL: ..... \$60

25 Commercial driver instruction permit  
 26 issued to any person holding a valid

1 Illinois driver's license for the  
 2 purpose of changing to a  
 3 CDL classification: \$6 for the  
 4 CDLIS/AAMVAnet Trust Fund;  
 5 \$20 for the Motor Carrier  
 6 Safety Inspection Fund; and  
 7 \$24 for the CDL classification ..... \$50  
 8 Commercial driver instruction permit  
 9 issued to any person holding a valid  
 10 Illinois CDL for the purpose of  
 11 making a change in a classification,  
 12 endorsement or restriction ..... \$5  
 13 CDL duplicate or corrected license ..... \$5

14 In order to ensure the proper implementation of the Uniform  
 15 Commercial Driver License Act, Article V of this Chapter, the  
 16 Secretary of State is empowered to pro-rate the \$24 fee for the  
 17 commercial driver's license proportionate to the expiration  
 18 date of the applicant's Illinois driver's license.

19 The fee for any duplicate license or permit shall be waived  
 20 for any person who presents the Secretary of State's office  
 21 with a police report showing that his license or permit was  
 22 stolen.

23 The fee for any duplicate license or permit shall be waived  
 24 for any person age 60 or older whose driver's license or permit  
 25 has been lost or stolen.

26 No additional fee shall be charged for a driver's license,

1 or for a commercial driver's license, when issued to the holder  
2 of an instruction permit for the same classification or type of  
3 license who becomes eligible for such license.

4 (b) Any person whose license or privilege to operate a  
5 motor vehicle in this State has been suspended or revoked under  
6 Section 3-707, any provision of Chapter 6, Chapter 11, or  
7 Section 7-205, 7-303, or 7-702 of the Family Financial  
8 Responsibility Law of this Code, shall in addition to any other  
9 fees required by this Code, pay a reinstatement fee as follows:

10	Suspension under Section 3-707 .....	\$100
11	Summary suspension under Section 11-501.1 .....	\$250
12	Other suspension .....	\$70
13	Revocation .....	\$500

14 However, any person whose license or privilege to operate a  
15 motor vehicle in this State has been suspended or revoked for a  
16 second or subsequent time for a violation of Section 11-501 or  
17 11-501.1 of this Code or a similar provision of a local  
18 ordinance or a similar out-of-state offense or Section 9-3 of  
19 the Criminal Code of 1961 and each suspension or revocation was  
20 for a violation of Section 11-501 or 11-501.1 of this Code or a  
21 similar provision of a local ordinance or a similar  
22 out-of-state offense or Section 9-3 of the Criminal Code of  
23 1961 shall pay, in addition to any other fees required by this  
24 Code, a reinstatement fee as follows:

25	Summary suspension under Section 11-501.1 .....	\$500
26	Revocation .....	\$500



1           (c) All fees collected under the provisions of this Chapter  
2 6 shall be paid into the Road Fund in the State Treasury except  
3 as follows:

4           1. The following amounts shall be paid into the Driver  
5 Education Fund:

6                   (A) \$16 of the \$20 fee for an original driver's  
7 instruction permit;

8                   (B) \$5 of the \$30 fee for an original driver's  
9 license;

10                   (C) \$5 of the \$30 fee for a 4 year renewal driver's  
11 license;

12                   (D) \$4 of the \$8 fee for a restricted driving  
13 permit; and

14                   (E) \$4 of the \$8 fee for a monitoring device  
15 driving permit.

16           2. \$30 of the \$250 fee for reinstatement of a license  
17 summarily suspended under Section 11-501.1 shall be  
18 deposited into the Drunk and Drugged Driving Prevention  
19 Fund. However, for a person whose license or privilege to  
20 operate a motor vehicle in this State has been suspended or  
21 revoked for a second or subsequent time for a violation of  
22 Section 11-501 or 11-501.1 of this Code or Section 9-3 of  
23 the Criminal Code of 1961, \$190 of the \$500 fee for  
24 reinstatement of a license summarily suspended under  
25 Section 11-501.1, and \$190 of the \$500 fee for  
26 reinstatement of a revoked license shall be deposited into

1 the Drunk and Drugged Driving Prevention Fund.

2 3. \$6 of such original or renewal fee for a commercial  
3 driver's license and \$6 of the commercial driver  
4 instruction permit fee when such permit is issued to any  
5 person holding a valid Illinois driver's license, shall be  
6 paid into the CDLIS/AAMVAnet Trust Fund.

7 4. \$30 of the \$70 fee for reinstatement of a license  
8 suspended under the Family Financial Responsibility Law  
9 shall be paid into the Family Responsibility Fund.

10 5. The \$5 fee for each original or renewal M or L  
11 endorsement shall be deposited into the Cycle Rider Safety  
12 Training Fund.

13 6. \$20 of any original or renewal fee for a commercial  
14 driver's license or commercial driver instruction permit  
15 shall be paid into the Motor Carrier Safety Inspection  
16 Fund.

17 7. The following amounts shall be paid into the General  
18 Revenue Fund:

19 (A) \$190 of the \$250 reinstatement fee for a  
20 summary suspension under Section 11-501.1;

21 (B) \$40 of the \$70 reinstatement fee for any other  
22 suspension provided in subsection (b) of this Section;  
23 and

24 (C) \$440 of the \$500 reinstatement fee for a first  
25 offense revocation and \$310 of the \$500 reinstatement  
26 fee for a second or subsequent revocation.

1 (d) All of the proceeds of the additional fees imposed by  
2 this amendatory Act of the 96th General Assembly shall be  
3 deposited into the Capital Projects Fund.

4 (e) The additional fees imposed by this amendatory Act of  
5 the 96th General Assembly shall become effective 90 days after  
6 becoming law.

7 (f) As used in this Section, "active-duty member of the  
8 United States Armed Forces" means a member of the Armed  
9 Services or Reserve Forces of the United States or a member of  
10 the Illinois National Guard who is called to active duty  
11 pursuant to an executive order of the President of the United  
12 States, an act of the Congress of the United States, or an  
13 order of the Governor.

14 (Source: P.A. 95-855, eff. 1-1-09; 96-34, eff. 7-13-09; 96-38,  
15 eff. 7-13-09; 96-1231, eff. 7-23-10; revised 9-16-10.)

16 (Text of Section after amendment by P.A. 96-1344)

17 Sec. 6-118. Fees.

18 (a) The fee for licenses and permits under this Article is  
19 as follows:

20 Original driver's license ..... \$30

21 Original or renewal driver's license

22 issued to 18, 19 and 20 year olds ..... 5

23 All driver's licenses for persons

24 age 69 through age 80 ..... 5

25 All driver's licenses for persons

1           age 81 through age 86 ..... 2

2   All driver's licenses for persons

3           age 87 or older ..... 0

4   Renewal driver's license (except for

5           applicants ages 18, 19 and 20 or

6           age 69 and older) ..... 30

7   Original instruction permit issued to

8           persons (except those age 69 and older)

9           who do not hold or have not previously

10          held an Illinois instruction permit or

11          driver's license ..... 20

12   Instruction permit issued to any person

13          holding an Illinois driver's license

14          who wishes a change in classifications,

15          other than at the time of renewal ..... 5

16   Any instruction permit issued to a person

17          age 69 and older ..... 5

18   Instruction permit issued to any person,

19          under age 69, not currently holding a

20          valid Illinois driver's license or

21          instruction permit but who has

22          previously been issued either document

23          in Illinois ..... 10

24   Restricted driving permit ..... 8

25   Monitoring device driving permit ..... 8

26   Duplicate or corrected driver's license

1           or permit ..... 5

2       Duplicate or corrected restricted

3           driving permit ..... 5

4       Duplicate or corrected monitoring

5       device driving permit ..... 5

6       Duplicate driver's license or permit issued to

7           an active-duty member of the

8           United States Armed Forces,

9           the member's spouse, or

10          the dependent children living

11          with the member ..... 0

12       Original or renewal M or L endorsement..... 5

13 SPECIAL FEES FOR COMMERCIAL DRIVER'S LICENSE

14           The fees for commercial driver licenses and permits  
15       under Article V shall be as follows:

16       Commercial driver's license:

- 17           \$6 for the CDLIS/AAMVAnet Trust Fund
- 18           (Commercial Driver's License Information
- 19           System/American Association of Motor Vehicle
- 20           Administrators network Trust Fund);
- 21           \$20 for the Motor Carrier Safety Inspection Fund;
- 22           \$10 for the driver's license;
- 23           and \$24 for the CDL: ..... \$60

24       Renewal commercial driver's license:

- 25           \$6 for the CDLIS/AAMVAnet Trust Fund;
- 26           \$20 for the Motor Carrier Safety Inspection Fund;

1	\$10 for the driver's license; and	
2	\$24 for the CDL: .....	\$60
3	Commercial driver instruction permit	
4	issued to any person holding a valid	
5	Illinois driver's license for the	
6	purpose of changing to a	
7	CDL classification: \$6 for the	
8	CDLIS/AAMVAnet Trust Fund;	
9	\$20 for the Motor Carrier	
10	Safety Inspection Fund; and	
11	\$24 for the CDL classification .....	\$50
12	Commercial driver instruction permit	
13	issued to any person holding a valid	
14	Illinois CDL for the purpose of	
15	making a change in a classification,	
16	endorsement or restriction .....	\$5
17	CDL duplicate or corrected license .....	\$5

18 In order to ensure the proper implementation of the Uniform  
19 Commercial Driver License Act, Article V of this Chapter, the  
20 Secretary of State is empowered to pro-rate the \$24 fee for the  
21 commercial driver's license proportionate to the expiration  
22 date of the applicant's Illinois driver's license.

23 The fee for any duplicate license or permit shall be waived  
24 for any person who presents the Secretary of State's office  
25 with a police report showing that his license or permit was  
26 stolen.

1 The fee for any duplicate license or permit shall be waived  
2 for any person age 60 or older whose driver's license or permit  
3 has been lost or stolen.

4 No additional fee shall be charged for a driver's license,  
5 or for a commercial driver's license, when issued to the holder  
6 of an instruction permit for the same classification or type of  
7 license who becomes eligible for such license.

8 (b) Any person whose license or privilege to operate a  
9 motor vehicle in this State has been suspended or revoked under  
10 Section 3-707, any provision of Chapter 6, Chapter 11, or  
11 Section 7-205, 7-303, or 7-702 of the Family Financial  
12 Responsibility Law of this Code, shall in addition to any other  
13 fees required by this Code, pay a reinstatement fee as follows:

14	Suspension under Section 3-707 .....	\$100
15	Summary suspension under Section 11-501.1 .....	\$250
16	Summary revocation under Section 11-501.1 .....	\$500
17	Other suspension .....	\$70
18	Revocation .....	\$500

19 However, any person whose license or privilege to operate a  
20 motor vehicle in this State has been suspended or revoked for a  
21 second or subsequent time for a violation of Section 11-501 or  
22 11-501.1 of this Code or a similar provision of a local  
23 ordinance or a similar out-of-state offense or Section 9-3 of  
24 the Criminal Code of 1961 and each suspension or revocation was  
25 for a violation of Section 11-501 or 11-501.1 of this Code or a  
26 similar provision of a local ordinance or a similar

1 out-of-state offense or Section 9-3 of the Criminal Code of  
2 1961 shall pay, in addition to any other fees required by this  
3 Code, a reinstatement fee as follows:

- 4 Summary suspension under Section 11-501.1 ..... \$500
- 5 Summary revocation under Section 11-501.1 ..... \$500
- 6 Revocation ..... \$500

7 (c) All fees collected under the provisions of this Chapter  
8 shall be paid into the Road Fund in the State Treasury except  
9 as follows:

10 1. The following amounts shall be paid into the Driver  
11 Education Fund:

12 (A) \$16 of the \$20 fee for an original driver's  
13 instruction permit;

14 (B) \$5 of the \$30 fee for an original driver's  
15 license;

16 (C) \$5 of the \$30 fee for a 4 year renewal driver's  
17 license;

18 (D) \$4 of the \$8 fee for a restricted driving  
19 permit; and

20 (E) \$4 of the \$8 fee for a monitoring device  
21 driving permit.

22 2. \$30 of the \$250 fee for reinstatement of a license  
23 summarily suspended under Section 11-501.1 shall be  
24 deposited into the Drunk and Drugged Driving Prevention  
25 Fund. However, for a person whose license or privilege to  
26 operate a motor vehicle in this State has been suspended or



1           revoked for a second or subsequent time for a violation of  
2           Section 11-501 or 11-501.1 of this Code or Section 9-3 of  
3           the Criminal Code of 1961, \$190 of the \$500 fee for  
4           reinstatement of a license summarily suspended under  
5           Section 11-501.1, and \$190 of the \$500 fee for  
6           reinstatement of a revoked license shall be deposited into  
7           the Drunk and Drugged Driving Prevention Fund. \$190 of the  
8           \$500 fee for reinstatement of a license summarily revoked  
9           pursuant to Section 11-501.1 shall be deposited into the  
10          Drunk and Drugged Driving Prevention Fund.

11           3. \$6 of such original or renewal fee for a commercial  
12          driver's license and \$6 of the commercial driver  
13          instruction permit fee when such permit is issued to any  
14          person holding a valid Illinois driver's license, shall be  
15          paid into the CDLIS/AAMVAnet Trust Fund.

16           4. \$30 of the \$70 fee for reinstatement of a license  
17          suspended under the Family Financial Responsibility Law  
18          shall be paid into the Family Responsibility Fund.

19           5. The \$5 fee for each original or renewal M or L  
20          endorsement shall be deposited into the Cycle Rider Safety  
21          Training Fund.

22           6. \$20 of any original or renewal fee for a commercial  
23          driver's license or commercial driver instruction permit  
24          shall be paid into the Motor Carrier Safety Inspection  
25          Fund.

26           7. The following amounts shall be paid into the General

1 Revenue Fund:

2 (A) \$190 of the \$250 reinstatement fee for a  
3 summary suspension under Section 11-501.1;

4 (B) \$40 of the \$70 reinstatement fee for any other  
5 suspension provided in subsection (b) of this Section;  
6 and

7 (C) \$440 of the \$500 reinstatement fee for a first  
8 offense revocation and \$310 of the \$500 reinstatement  
9 fee for a second or subsequent revocation.

10 (d) All of the proceeds of the additional fees imposed by  
11 this amendatory Act of the 96th General Assembly shall be  
12 deposited into the Capital Projects Fund.

13 (e) The additional fees imposed by this amendatory Act of  
14 the 96th General Assembly shall become effective 90 days after  
15 becoming law.

16 (f) As used in this Section, "active-duty member of the  
17 United States Armed Forces" means a member of the Armed  
18 Services or Reserve Forces of the United States or a member of  
19 the Illinois National Guard who is called to active duty  
20 pursuant to an executive order of the President of the United  
21 States, an act of the Congress of the United States, or an  
22 order of the Governor.

23 (Source: P.A. 95-855, eff. 1-1-09; 96-34, eff. 7-13-09; 96-38,  
24 eff. 7-13-09; 96-1231, eff. 7-23-10; 96-1344, eff. 7-1-11;  
25 revised 9-16-10.)

1 (625 ILCS 5/6-305.3)

2 Sec. 6-305.3. Vehicle license cost recovery fee.

3 (a) As used in this Section:

4 "Automobile rental company" means a person or entity whose  
5 primary business is renting private passenger vehicles to the  
6 public for 30 days or less.

7 "Inspect" or "inspection" means a vehicle emissions  
8 inspection under Chapter 13C of this Code.

9 "Rental agreement" means an agreement for 30 days or less  
10 setting forth the terms and conditions governing the use of a  
11 private passenger vehicle provided by a rental company.

12 "Motor vehicle" means passenger vehicles of the first  
13 division and motor vehicles of the second division weighing not  
14 more than 8,000 pounds.

15 "Vehicle license cost recovery fee" or "VLCRF" means a  
16 charge that may be separately stated and charged on a rental  
17 agreement in a vehicle rental transaction originating in  
18 Illinois to recover costs incurred by an automobile rental  
19 company to license, title, register, and inspect motor  
20 vehicles.

21 (b) Automobile rental companies may include a separately  
22 stated mandatory surcharge or fee in a rental agreement for  
23 vehicle license cost recovery fees (VLCRF) and all applicable  
24 taxes.

25 (c) If an automobile rental company includes a VLCRF as  
26 separately stated charge in a rental agreement, the amount of

1 the fee must represent the automobile rental company's  
2 good-faith estimate of the automobile rental company's daily  
3 charge as calculated by the automobile rental company to  
4 recover its actual total annual motor vehicle titling,  
5 registration, and inspection costs.

6 (d) If the total amount of the VLCRF collected by a  
7 automobile rental company under this Section in any calendar  
8 year exceeds the automobile rental company's actual costs to  
9 license, title, register, and inspect for that calendar year,  
10 the automobile rental company shall do both of the following:

11 (1) Retain the excess amount; and

12 (2) Adjust the estimated average per vehicle titling,  
13 licensing, inspection, and registration charge for the  
14 following calendar year by a corresponding amount.

15 (e) Nothing in subsection (d) of this Section shall prevent  
16 a automobile rental company from making adjustments to the  
17 VLCRF during the calendar year.

18 (Source: P.A. 96-37, eff. 7-13-09.)

19 Section 45. The Criminal Code of 1961 is amended by  
20 reenacting Section 28-1 as follows:

21 (720 ILCS 5/28-1) (from Ch. 38, par. 28-1)

22 Sec. 28-1. Gambling.

23 (a) A person commits gambling when he:

24 (1) Plays a game of chance or skill for money or other

1 thing of value, unless excepted in subsection (b) of this  
2 Section; or

3 (2) Makes a wager upon the result of any game, contest,  
4 or any political nomination, appointment or election; or

5 (3) Operates, keeps, owns, uses, purchases, exhibits,  
6 rents, sells, bargains for the sale or lease of,  
7 manufactures or distributes any gambling device; or

8 (4) Contracts to have or give himself or another the  
9 option to buy or sell, or contracts to buy or sell, at a  
10 future time, any grain or other commodity whatsoever, or  
11 any stock or security of any company, where it is at the  
12 time of making such contract intended by both parties  
13 thereto that the contract to buy or sell, or the option,  
14 whenever exercised, or the contract resulting therefrom,  
15 shall be settled, not by the receipt or delivery of such  
16 property, but by the payment only of differences in prices  
17 thereof; however, the issuance, purchase, sale, exercise,  
18 endorsement or guarantee, by or through a person registered  
19 with the Secretary of State pursuant to Section 8 of the  
20 Illinois Securities Law of 1953, or by or through a person  
21 exempt from such registration under said Section 8, of a  
22 put, call, or other option to buy or sell securities which  
23 have been registered with the Secretary of State or which  
24 are exempt from such registration under Section 3 of the  
25 Illinois Securities Law of 1953 is not gambling within the  
26 meaning of this paragraph (4); or

1           (5) Knowingly owns or possesses any book, instrument or  
2 apparatus by means of which bets or wagers have been, or  
3 are, recorded or registered, or knowingly possesses any  
4 money which he has received in the course of a bet or  
5 wager; or

6           (6) Sells pools upon the result of any game or contest  
7 of skill or chance, political nomination, appointment or  
8 election; or

9           (7) Sets up or promotes any lottery or sells, offers to  
10 sell or transfers any ticket or share for any lottery; or

11           (8) Sets up or promotes any policy game or sells,  
12 offers to sell or knowingly possesses or transfers any  
13 policy ticket, slip, record, document or other similar  
14 device; or

15           (9) Knowingly drafts, prints or publishes any lottery  
16 ticket or share, or any policy ticket, slip, record,  
17 document or similar device, except for such activity  
18 related to lotteries, bingo games and raffles authorized by  
19 and conducted in accordance with the laws of Illinois or  
20 any other state or foreign government; or

21           (10) Knowingly advertises any lottery or policy game,  
22 except for such activity related to lotteries, bingo games  
23 and raffles authorized by and conducted in accordance with  
24 the laws of Illinois or any other state; or

25           (11) Knowingly transmits information as to wagers,  
26 betting odds, or changes in betting odds by telephone,

1 telegraph, radio, semaphore or similar means; or knowingly  
2 installs or maintains equipment for the transmission or  
3 receipt of such information; except that nothing in this  
4 subdivision (11) prohibits transmission or receipt of such  
5 information for use in news reporting of sporting events or  
6 contests; or

7 (12) Knowingly establishes, maintains, or operates an  
8 Internet site that permits a person to play a game of  
9 chance or skill for money or other thing of value by means  
10 of the Internet or to make a wager upon the result of any  
11 game, contest, political nomination, appointment, or  
12 election by means of the Internet. This item (12) does not  
13 apply to activities referenced in items (6) and (6.1) of  
14 subsection (b) of this Section.

15 (b) Participants in any of the following activities shall  
16 not be convicted of gambling therefor:

17 (1) Agreements to compensate for loss caused by the  
18 happening of chance including without limitation contracts  
19 of indemnity or guaranty and life or health or accident  
20 insurance.

21 (2) Offers of prizes, award or compensation to the  
22 actual contestants in any bona fide contest for the  
23 determination of skill, speed, strength or endurance or to  
24 the owners of animals or vehicles entered in such contest.

25 (3) Pari-mutuel betting as authorized by the law of  
26 this State.

1           (4) Manufacture of gambling devices, including the  
2 acquisition of essential parts therefor and the assembly  
3 thereof, for transportation in interstate or foreign  
4 commerce to any place outside this State when such  
5 transportation is not prohibited by any applicable Federal  
6 law; or the manufacture, distribution, or possession of  
7 video gaming terminals, as defined in the Video Gaming Act,  
8 by manufacturers, distributors, and terminal operators  
9 licensed to do so under the Video Gaming Act.

10           (5) The game commonly known as "bingo", when conducted  
11 in accordance with the Bingo License and Tax Act.

12           (6) Lotteries when conducted by the State of Illinois  
13 in accordance with the Illinois Lottery Law. This exemption  
14 includes any activity conducted by the Department of  
15 Revenue to sell lottery tickets pursuant to the provisions  
16 of the Illinois Lottery Law and its rules.

17           (6.1) The purchase of lottery tickets through the  
18 Internet for a lottery conducted by the State of Illinois  
19 under the program established in Section 7.12 of the  
20 Illinois Lottery Law.

21           (7) Possession of an antique slot machine that is  
22 neither used nor intended to be used in the operation or  
23 promotion of any unlawful gambling activity or enterprise.  
24 For the purpose of this subparagraph (b)(7), an antique  
25 slot machine is one manufactured 25 years ago or earlier.

26           (8) Raffles when conducted in accordance with the



1 Raffles Act.

2 (9) Charitable games when conducted in accordance with  
3 the Charitable Games Act.

4 (10) Pull tabs and jar games when conducted under the  
5 Illinois Pull Tabs and Jar Games Act.

6 (11) Gambling games conducted on riverboats when  
7 authorized by the Riverboat Gambling Act.

8 (12) Video gaming terminal games at a licensed  
9 establishment, licensed truck stop establishment, licensed  
10 fraternal establishment, or licensed veterans  
11 establishment when conducted in accordance with the Video  
12 Gaming Act.

13 (13) Games of skill or chance where money or other  
14 things of value can be won but no payment or purchase is  
15 required to participate.

16 (c) Sentence.

17 Gambling under subsection (a) (1) or (a) (2) of this Section  
18 is a Class A misdemeanor. Gambling under any of subsections  
19 (a) (3) through (a) (11) of this Section is a Class A  
20 misdemeanor. A second or subsequent conviction under any of  
21 subsections (a) (3) through (a) (11), is a Class 4 felony.  
22 Gambling under subsection (a) (12) of this Section is a Class A  
23 misdemeanor. A second or subsequent conviction under  
24 subsection (a) (12) is a Class 4 felony.

25 (d) Circumstantial evidence.

26 In prosecutions under subsection (a) (1) through (a) (12) of

1 this Section circumstantial evidence shall have the same  
2 validity and weight as in any criminal prosecution.

3 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09;  
4 96-1203, eff. 7-22-10.)

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

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