



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

SB2194

Introduced 2/10/2011, by Sen. Toi W. Hutchinson

SYNOPSIS AS INTRODUCED:

See Index

Amends the State Finance Act, the Illinois Municipal Code, the Counties Code, the Flood Prevention District Act, the Metropolitan Pier and Exposition Authority Act, the Local Mass Transit District Act, the Regional Transportation Authority Act, the Civic Center Code, the Metro-East Park and Recreation District Act, and the Water Commission Act of 1985. Provides that, with respect to retailers' and service occupation taxes imposed by the State and units of local government, sales are attributed to the unit of local government where the purchase order is accepted, subject to certain exceptions. Provides that, if the acceptance location is outside of the State, but the tangible personal property being sold is (i) in the inventory of the seller at a location within the State at the time of sale or (ii) subsequently produced by the seller at a location in the State, then the sale is attributed to the municipality or unincorporated area where the inventory is located or the property is produced. Contains provisions concerning keep-full contracts and long-term blanket or master contracts. Effective immediately.

LRB097 10235 HLH 50431 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

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

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

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

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

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

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

21 In allocating or sourcing any municipal, county or special
22 district's retailers' occupation tax or the local share of the
23 state's retailers' occupation tax for sales occurring in this
24 state, other than sales of tangible personal property titled or
25 registered with an agency of this State's government, the
26 Department of Revenue shall deem as the sales location for such

1 allocation or sourcing purposes the office location that the
2 order for the purchase of the tangible personal property is
3 accepted by the retailer or its authorized representative,
4 except as provided in the next paragraph. In determining the
5 acceptance location for a sale, the office the order is first
6 received by the retailer or its authorized representative shall
7 be deemed the acceptance location, unless clearly proven
8 otherwise by the retailer that the final event or activity
9 giving rise to the retailer's acceptance of, or the binding
10 contract for, such sale occurred at a different office
11 location. In applying this paragraph, if the order is received
12 by electronic means, including but not limited to e-mail and
13 facsimile transmission, and the first electronic receipt of the
14 order is not addressed to or otherwise identified with a
15 specific office location of the retailer or its authorized
16 representative, then the order shall be deemed first received
17 at the office location of the retailer or its authorized
18 representative to which the addressee of the electronic order
19 is primarily assigned or stationed, but in the event such
20 addressee has no identifiable office location then the order
21 shall be deemed first received at the office location that
22 first records the receipt of such electronic order. For
23 purposes of this paragraph, and the next paragraph, the term
24 "order" means the request (in writing, orally or
25 electronically) by the purchaser to buy tangible personal
26 property. Neither the delivery location nor the location of the

1 acceptance of the tangible personal property by the purchaser
2 (either before or after inspection or installation) shall
3 determine the sales location for allocation or sourcing
4 purposes under this Section.

5 Notwithstanding the preceding paragraph, the sales
6 location for the allocation or sourcing of any municipal,
7 county or special district's retailers' occupation tax or the
8 local share of the state's retailers' occupation tax shall be
9 as follows: (1) in the event the acceptance of the order by the
10 retailer occurs outside of the state (whether or not the
11 receipt of the order occurs within the state), then in those
12 situations the sales location shall be deemed outside of the
13 state, and no local sourcing of retailers' occupation tax
14 applies, except when the tangible personal property which is
15 being sold is in the inventory of the retailer at a location
16 within the state at the time of sale (or is subsequently
17 produced by the retailer at a location in this state), then in
18 that event such inventory location shall be deemed the sales
19 location, or (2) in those situations in which the retailer
20 sends to the purchaser a complete and unconditional offer to
21 sell, then the sales location shall be the office location that
22 the retailer or its authorized representative first receives
23 back the purchaser's acceptance of such offer, or (3) for keep
24 full or similar requirements contracts where the retailer
25 agrees to supply tangible personal property to a purchaser on a
26 continuous basis until notified to stop by the purchaser, then

1 for such contracts the sales location shall be the office
2 location that the retailer or its authorized representative
3 receives the initial order under such contract, provided that
4 if such contract is a written contract not requiring a separate
5 initial order to start the continuous supply process, then in
6 such a situation the sales location shall be the office
7 location that the retailer or its authorized representative
8 signed the contract, or (4) for sales accepted in Illinois
9 under a long term blanket or master contract which (though
10 definite as to price and quantity) must be implemented by the
11 purchaser's placing of specific orders when goods are wanted,
12 the office location of the retailer or its authorized
13 representative with which such subsequent specific orders are
14 received (rather than the place where the seller signed the
15 master contract) will determine the sales location with respect
16 to such orders, or (5) for sales to end users by a producer of
17 coal or other minerals mined in this state, the sales location
18 shall be the place where the coal or other minerals mined in
19 this state is extracted from the earth. With respect to
20 minerals (i) the term "extracted from the earth" means the
21 location at which the coal or other mineral is extracted from
22 the mouth of the mine, and (ii) a "mineral" includes not only
23 coal, but also oil, sand, stone taken from a quarry, gravel and
24 any other thing commonly regarded as a mineral and extracted
25 from the earth.

26 The changes made by this amendatory Act of the 97th General

1 Assembly shall be effective upon becoming law, and for past
2 periods not yet closed by any applicable limitations period, a
3 retailer may elect to apply changes made to this Section by
4 this amendatory Act of the 97th General Assembly in the
5 allocation of its past sales but only to the extent it does not
6 change the retailer's previous filing location for such sales.

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 local sales tax increment, as defined in the Innovation
3 Development and Economy Act, collected during the second
4 preceding calendar month for sales within a STAR bond district
5 and deposited into the Local Government Tax Fund, less 3% of
6 that amount, which shall be transferred into the Tax Compliance
7 and Administration Fund and shall be used by the Department,
8 subject to appropriation, to cover the costs of the Department
9 in administering the Innovation Development and Economy Act.

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

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

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

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

22 In construing any development, redevelopment, annexation,
23 preannexation or other lawful agreement in effect prior to
24 September 1, 1990, which describes or refers to receipts from a
25 county or municipal retailers' occupation tax, use tax or
26 service occupation tax which now cannot be imposed, such

1 description or reference shall be deemed to include the
2 replacement revenue for such abolished taxes, distributed from
3 the Local Government Tax Fund.

4 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
5 revised 7-22-10.)

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

7 Sec. 6z-20. Of the money received from the 6.25% general
8 rate (and, beginning July 1, 2000 and through December 31,
9 2000, the 1.25% rate on motor fuel and gasohol, and beginning
10 on August 6, 2010 through August 15, 2010, the 1.25% rate on
11 sales tax holiday items) on sales subject to taxation under the
12 Retailers' Occupation Tax Act and Service Occupation Tax Act
13 and paid into the County and Mass Transit District Fund,
14 distribution to the Regional Transportation Authority tax
15 fund, created pursuant to Section 4.03 of the Regional
16 Transportation Authority Act, for deposit therein shall be made
17 based upon the retail sales occurring in a county having more
18 than 3,000,000 inhabitants. The remainder shall be distributed
19 to each county having 3,000,000 or fewer inhabitants based upon
20 the retail sales occurring in each such county.

21 In allocating or sourcing any municipal, county or special
22 district's retailers' occupation tax or the local share of the
23 state's retailers' occupation tax for sales occurring in this
24 state, other than sales of tangible personal property titled or
25 registered with an agency of this State's government, the

1 Department of Revenue shall deem as the sales location for such
2 allocation or sourcing purposes the office location that the
3 order for the purchase of the tangible personal property is
4 accepted by the retailer or its authorized representative,
5 except as provided in the next paragraph. In determining the
6 acceptance location for a sale, the office the order is first
7 received by the retailer or its authorized representative shall
8 be deemed the acceptance location, unless clearly proven
9 otherwise by the retailer that the final event or activity
10 giving rise to the retailer's acceptance of, or the binding
11 contract for, such sale occurred at a different office
12 location. In applying this paragraph, if the order is received
13 by electronic means, including but not limited to e-mail and
14 facsimile transmission, and the first electronic receipt of the
15 order is not addressed to or otherwise identified with a
16 specific office location of the retailer or its authorized
17 representative, then the order shall be deemed first received
18 at the office location of the retailer or its authorized
19 representative to which the addressee of the electronic order
20 is primarily assigned or stationed, but in the event such
21 addressee has no identifiable office location then the order
22 shall be deemed first received at the office location that
23 first records the receipt of such electronic order. For
24 purposes of this paragraph and the next paragraph, the term
25 "order" means the request (in writing, orally or
26 electronically) by the purchaser to buy tangible personal

1 property. Neither the delivery location nor the location of the
2 acceptance of the tangible personal property by the purchaser
3 (either before or after inspection or installation) shall
4 determine the sales location for allocation or sourcing
5 purposes under this Section.

6 Notwithstanding the preceding paragraph, the sales
7 location for the allocation or sourcing of any municipal,
8 county or special district's retailers' occupation tax or the
9 local share of the state's retailers' occupation tax shall be
10 as follows: (1) in the event the acceptance of the order by the
11 retailer occurs outside of the state (whether or not the
12 receipt of the order occurs within the state), then in those
13 situations the sales location shall be deemed outside of the
14 state, and no local sourcing of retailers' occupation tax
15 applies, except when the tangible personal property which is
16 being sold is in the inventory of the retailer at a location
17 within the state at the time of sale (or is subsequently
18 produced by the retailer at a location in this state), then in
19 that event such inventory location shall be deemed the sales
20 location, or (2) in those situations in which the retailer
21 sends to the purchaser a complete and unconditional offer to
22 sell, then the sales location shall be the office location that
23 the retailer or its authorized representative first receives
24 back the purchaser's acceptance of such offer, or (3) for keep
25 full or similar requirements contracts where the retailer
26 agrees to supply tangible personal property to a purchaser on a

1 continuous basis until notified to stop by the purchaser, then
2 for such contracts the sales location shall be the office
3 location that the retailer or its authorized representative
4 receives the initial order under such contract, provided that
5 if such contract is a written contract not requiring a separate
6 initial order to start the continuous supply process, then in
7 such a situation the sales location shall be the office
8 location that the retailer or its authorized representative
9 signed the contract, or (4) for sales accepted in Illinois
10 under a long term blanket or master contract which (though
11 definite as to price and quantity) must be implemented by the
12 purchaser's placing of specific orders when goods are wanted,
13 the office location of the retailer or its authorized
14 representative with which such subsequent specific orders are
15 received (rather than the place where the seller signed the
16 master contract) will determine the sales location with respect
17 to such orders, or (5) for sales to end users by a producer of
18 coal or other minerals mined in this state, the sales location
19 shall be the place where the coal or other minerals mined in
20 this state is extracted from the earth. With respect to
21 minerals (i) the term "extracted from the earth" means the
22 location at which the coal or other mineral is extracted from
23 the mouth of the mine, and (ii) a "mineral" includes not only
24 coal, but also oil, sand, stone taken from a quarry, gravel and
25 any other thing commonly regarded as a mineral and extracted
26 from the earth.

1 The changes made by this amendatory Act of the 97th General
2 Assembly shall be effective upon becoming law, and for past
3 periods not yet closed by any applicable limitations period, a
4 retailer may elect to apply changes made to this Section by
5 this amendatory Act of the 97th General Assembly in the
6 allocation of its past sales but only to the extent it does not
7 change the retailer's previous filing location for such sales.

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

17 Of the money received from the 6.25% general use tax rate
18 on tangible personal property which is purchased outside
19 Illinois at retail from a retailer and which is titled or
20 registered by any agency of this State's government and paid
21 into the County and Mass Transit District Fund, the amount for
22 which Illinois addresses for titling or registration purposes
23 are given as being in each county having more than 3,000,000
24 inhabitants shall be distributed into the Regional
25 Transportation Authority tax fund, created pursuant to Section
26 4.03 of the Regional Transportation Authority Act. The

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

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

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Innovation
23 Development and Economy Act, collected during the second
24 preceding calendar month for sales within a STAR bond district
25 and deposited into the County and Mass Transit District Fund,
26 less 3% of that amount, which shall be transferred into the Tax

1 Compliance and Administration Fund and shall be used by the
2 Department, subject to appropriation, to cover the costs of the
3 Department in administering the Innovation Development and
4 Economy Act.

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

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

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

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

22 In construing any development, redevelopment, annexation,
23 preannexation or other lawful agreement in effect prior to
24 September 1, 1990, which describes or refers to receipts from a
25 county or municipal retailers' occupation tax, use tax or
26 service occupation tax which now cannot be imposed, such

1 description or reference shall be deemed to include the
2 replacement revenue for such abolished taxes, distributed from
3 the County and Mass Transit District Fund or Local Government
4 Distributive Fund, as the case may be.

5 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
6 revised 7-22-10.)

7 Section 10. The Counties Code is amended by changing
8 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, and 5-1008.5 as
9 follows:

10 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

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

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

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

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

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

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

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

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

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

19 In allocating or sourcing any municipal, county or special
20 district's retailers' occupation tax or the local share of the
21 state's retailers' occupation tax for sales occurring in this
22 state, other than sales of tangible personal property titled or
23 registered with an agency of this State's government, the
24 Department of Revenue shall deem as the sales location for such
25 allocation or sourcing purposes the office location that the
26 order for the purchase of the tangible personal property is

1 accepted by the retailer or its authorized representative,
2 except as provided in the next paragraph. In determining the
3 acceptance location for a sale, the office the order is first
4 received by the retailer or its authorized representative shall
5 be deemed the acceptance location, unless clearly proven
6 otherwise by the retailer that the final event or activity
7 giving rise to the retailer's acceptance of, or the binding
8 contract for, such sale occurred at a different office
9 location. In applying this paragraph, if the order is received
10 by electronic means, including but not limited to e-mail and
11 facsimile transmission, and the first electronic receipt of the
12 order is not addressed to or otherwise identified with a
13 specific office location of the retailer or its authorized
14 representative, then the order shall be deemed first received
15 at the office location of the retailer or its authorized
16 representative to which the addressee of the electronic order
17 is primarily assigned or stationed, but in the event such
18 addressee has no identifiable office location then the order
19 shall be deemed first received at the office location that
20 first records the receipt of such electronic order. For
21 purposes of this paragraph and the next paragraph, the term
22 "order" means the request (in writing, orally or
23 electronically) by the purchaser to buy tangible personal
24 property. Neither the delivery location nor the location of the
25 acceptance of the tangible personal property by the purchaser
26 (either before or after inspection or installation) shall

1 determine the sales location for allocation or sourcing
2 purposes under this Section.

3 Notwithstanding the preceding paragraph, the sales
4 location for the allocation or sourcing of any municipal,
5 county or special district's retailers' occupation tax or the
6 local share of the state's retailers' occupation tax shall be
7 as follows: (1) in the event the acceptance of the order by the
8 retailer occurs outside of the state (whether or not the
9 receipt of the order occurs within the state), then in those
10 situations the sales location shall be deemed outside of the
11 state, and no local sourcing of retailers' occupation tax
12 applies, except when the tangible personal property which is
13 being sold is in the inventory of the retailer at a location
14 within the state at the time of sale (or is subsequently
15 produced by the retailer at a location in this state), then in
16 that event such inventory location shall be deemed the sales
17 location, or (2) in those situations in which the retailer
18 sends to the purchaser a complete and unconditional offer to
19 sell, then the sales location shall be the office location that
20 the retailer or its authorized representative first receives
21 back the purchaser's acceptance of such offer, or (3) for keep
22 full or similar requirements contracts where the retailer
23 agrees to supply tangible personal property to a purchaser on a
24 continuous basis until notified to stop by the purchaser, then
25 for such contracts the sales location shall be the office
26 location that the retailer or its authorized representative

1 receives the initial order under such contract, provided that
2 if such contract is a written contract not requiring a separate
3 initial order to start the continuous supply process, then in
4 such a situation the sales location shall be the office
5 location that the retailer or its authorized representative
6 signed the contract, or (4) for sales accepted in Illinois
7 under a long term blanket or master contract which (though
8 definite as to price and quantity) must be implemented by the
9 purchaser's placing of specific orders when goods are wanted,
10 the office location of the retailer or its authorized
11 representative with which such subsequent specific orders are
12 received (rather than the place where the seller signed the
13 master contract) will determine the sales location with respect
14 to such orders, or (5) for sales to end users by a producer of
15 coal or other minerals mined in this state, the sales location
16 shall be the place where the coal or other minerals mined in
17 this state is extracted from the earth. With respect to
18 minerals (i) the term "extracted from the earth" means the
19 location at which the coal or other mineral is extracted from
20 the mouth of the mine, and (ii) a "mineral" includes not only
21 coal, but also oil, sand, stone taken from a quarry, gravel and
22 any other thing commonly regarded as a mineral and extracted
23 from the earth.

24 The changes made by this amendatory Act of the 97th General
25 Assembly shall be effective upon becoming law, and for past
26 periods not yet closed by any applicable limitations period, a

1 retailer may elect to apply the changes made to this Section by
2 this amendatory Act of the 97th General Assembly in the
3 allocation of its past sales but only to the extent it does not
4 change the retailer's previous filing location for such sales.

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

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

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

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

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

1 months from the time a misallocation is discovered.

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

4 (Source: P.A. 96-939, eff. 6-24-10.)

5 (55 ILCS 5/5-1006.5)

6 (Text of Section before amendment by P.A. 96-845)

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

9 (a) The county board of any county may impose a tax upon
10 all persons engaged in the business of selling tangible
11 personal property, other than personal property titled or
12 registered with an agency of this State's government, at retail
13 in the county on the gross receipts from the sales made in the
14 course of business to provide revenue to be used exclusively
15 for public safety, public facility, or transportation purposes
16 in that county, if a proposition for the tax has been submitted
17 to the electors of that county and approved by a majority of
18 those voting on the question. If imposed, this tax shall be
19 imposed only in one-quarter percent increments. By resolution,
20 the county board may order the proposition to be submitted at
21 any election. If the tax is imposed for transportation purposes
22 for expenditures for public highways or as authorized under the
23 Illinois Highway Code, the county board must publish notice of
24 the existence of its long-range highway transportation plan as
25 required or described in Section 5-301 of the Illinois Highway

1 Code and must make the plan publicly available prior to
2 approval of the ordinance or resolution imposing the tax. If
3 the tax is imposed for transportation purposes for expenditures
4 for passenger rail transportation, the county board must
5 publish notice of the existence of its long-range passenger
6 rail transportation plan and must make the plan publicly
7 available prior to approval of the ordinance or resolution
8 imposing the tax.

9 If a tax is imposed for public facilities purposes, then
10 the name of the project may be included in the proposition at
11 the discretion of the county board as determined in the
12 enabling resolution. For example, the "XXX Nursing Home" or the
13 "YYY Museum".

14 The county clerk shall certify the question to the proper
15 election authority, who shall submit the proposition at an
16 election in accordance with the general election law.

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

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

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

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

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

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

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

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

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

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

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

26 "To pay for improvements to roads and other

1 transportation purposes, shall (name of county) be
2 authorized to impose an increase on its share of local
3 sales taxes by (insert rate)?"

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

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

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

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

19 As additional information on the ballot below the
20 question shall appear the following:

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

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

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

7 (3) The proposition for public facilities purposes
8 shall be in substantially the following form:

9 "To pay for public facilities purposes, shall (name of
10 county) be authorized to impose an increase on its share of
11 local sales taxes by (insert rate)?"

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

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

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

23 "To pay for public facilities purposes, shall (name of
24 county) be authorized to impose an increase on its share of
25 local sales taxes by (insert rate) for a period not to
26 exceed (insert number of years)?"

1 As additional information on the ballot below the
2 question shall appear the following:

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

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

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

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

25 This additional tax may not be imposed on the sales of food
26 for human consumption that is to be consumed off the premises

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

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

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

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the order to be drawn for the
20 amount specified and to the person named in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the County Public Safety or Transportation
23 Retailers' Occupation Tax Fund.

24 (b) If a tax has been imposed under subsection (a), a
25 service occupation tax shall also be imposed at the same rate
26 upon all persons engaged, in the county, in the business of

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

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

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

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

1 Treasurer out of the County Public Safety or Transportation
2 Retailers' Occupation Fund.

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

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

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Innovation
18 Development and Economy Act, collected under this Section
19 during the second preceding calendar month for sales within a
20 STAR bond district.

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

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

19 In addition to the disbursement required by the preceding
20 paragraph, an allocation shall be made in March of each year to
21 each county that received more than \$500,000 in disbursements
22 under the preceding paragraph in the preceding calendar year.
23 The allocation shall be in an amount equal to the average
24 monthly distribution made to each such county under the
25 preceding paragraph during the preceding calendar year
26 (excluding the 2 months of highest receipts). The distribution

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

8 (c-5) In allocating or sourcing any municipal, county or
9 special district's retailers' occupation tax or the local share
10 of the state's retailers' occupation tax for sales occurring in
11 this state, other than sales of tangible personal property
12 titled or registered with an agency of this State's government,
13 the Department of Revenue shall deem as the sales location for
14 such allocation or sourcing purposes the office location that
15 the order for the purchase of the tangible personal property is
16 accepted by the retailer or its authorized representative,
17 except as provided in the next paragraph. In determining the
18 acceptance location for a sale, the office the order is first
19 received by the retailer or its authorized representative shall
20 be deemed the acceptance location, unless clearly proven
21 otherwise by the retailer that the final event or activity
22 giving rise to the retailer's acceptance of, or the binding
23 contract for, such sale occurred at a different office
24 location. In applying this Subsection (c-5), if the order is
25 received by electronic means, including but not limited to
26 e-mail and facsimile transmission, and the first electronic

1 receipt of the order is not addressed to or otherwise
2 identified with a specific office location of the retailer or
3 its authorized representative, then the order shall be deemed
4 first received at the office location of the retailer or its
5 authorized representative to which the addressee of the
6 electronic order is primarily assigned or stationed, but in the
7 event such addressee has no identifiable office location then
8 the order shall be deemed first received at the office location
9 that first records the receipt of such electronic order. For
10 purposes of this Subsection (c-5), the term "order" means the
11 request (in writing, orally or electronically) by the purchaser
12 to buy tangible personal property. Neither the delivery
13 location nor the location of the acceptance of the tangible
14 personal property by the purchaser (either before or after
15 inspection or installation) shall determine the sales location
16 for allocation or sourcing purposes under this Section.

17 Notwithstanding the preceding paragraph, the sales
18 location for the allocation or sourcing of any municipal,
19 county or special district's retailers' occupation tax or the
20 local share of the state's retailers' occupation tax shall be
21 as follows: (1) in the event the acceptance of the order by the
22 retailer occurs outside of the state (whether or not the
23 receipt of the order occurs within the state), then in those
24 situations the sales location shall be deemed outside of the
25 state, and no local sourcing of retailers' occupation tax
26 applies, except when the tangible personal property which is

1 being sold is in the inventory of the retailer at a location
2 within the state at the time of sale (or is subsequently
3 produced by the retailer at a location in this state), then in
4 that event such inventory location shall be deemed the sales
5 location, or (2) in those situations in which the retailer
6 sends to the purchaser a complete and unconditional offer to
7 sell, then the sales location shall be the office location that
8 the retailer or its authorized representative first receives
9 back the purchaser's acceptance of such offer, or (3) for keep
10 full or similar requirements contracts where the retailer
11 agrees to supply tangible personal property to a purchaser on a
12 continuous basis until notified to stop by the purchaser, then
13 for such contracts the sales location shall be the office
14 location that the retailer or its authorized representative
15 receives the initial order under such contract, provided that
16 if such contract is a written contract not requiring a separate
17 initial order to start the continuous supply process, then in
18 such a situation the sales location shall be the office
19 location that the retailer or its authorized representative
20 signed the contract, or (4) for sales accepted in Illinois
21 under a long term blanket or master contract which (though
22 definite as to price and quantity) must be implemented by the
23 purchaser's placing of specific orders when goods are wanted,
24 the office location of the retailer or its authorized
25 representative with which such subsequent specific orders are
26 received (rather than the place where the seller signed the

1 master contract) will determine the sales location with respect
2 to such orders, or (5) for sales to end users by a producer of
3 coal or other minerals mined in this state, the sales location
4 shall be the place where the coal or other minerals mined in
5 this state is extracted from the earth. With respect to
6 minerals (i) the term "extracted from the earth" means the
7 location at which the coal or other mineral is extracted from
8 the mouth of the mine, and (ii) a "mineral" includes not only
9 coal, but also oil, sand, stone taken from a quarry, gravel and
10 any other thing commonly regarded as a mineral and extracted
11 from the earth.

12 The changes made by this amendatory Act of the 97th General
13 Assembly shall be effective upon becoming law, and for past
14 periods not yet closed by any applicable limitations period, a
15 retailer may elect to apply this subsection in the allocation
16 of its past sales but only to the extent it does not change the
17 retailer's previous filing location for such sales.

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

1 (e) Nothing in this Section shall be construed to authorize
2 a county to impose a tax upon the privilege of engaging in any
3 business that under the Constitution of the United States may
4 not be made the subject of taxation by this State.

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

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

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

1 shall be the amount erroneously disbursed within the previous 6
2 months from the time a miscalculation is discovered.

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

6 (i) For purposes of this Section, "public safety" includes,
7 but is not limited to, crime prevention, detention, fire
8 fighting, police, medical, ambulance, or other emergency
9 services. The county may share tax proceeds received under this
10 Section for public safety purposes, including proceeds
11 received before August 4, 2009 (the effective date of Public
12 Act 96-124), with any fire protection district located in the
13 county. For the purposes of this Section, "transportation"
14 includes, but is not limited to, the construction, maintenance,
15 operation, and improvement of public highways, any other
16 purpose for which a county may expend funds under the Illinois
17 Highway Code, and passenger rail transportation. For the
18 purposes of this Section, "public facilities purposes"
19 includes, but is not limited to, the acquisition, development,
20 construction, reconstruction, rehabilitation, improvement,
21 financing, architectural planning, and installation of capital
22 facilities consisting of buildings, structures, and durable
23 equipment and for the acquisition and improvement of real
24 property and interest in real property required, or expected to
25 be required, in connection with the public facilities, for use
26 by the county for the furnishing of governmental services to

1 its citizens, including but not limited to museums and nursing
2 homes.

3 (j) The Department may promulgate rules to implement Public
4 Act 95-1002 only to the extent necessary to apply the existing
5 rules for the Special County Retailers' Occupation Tax for
6 Public Safety to this new purpose for public facilities.

7 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
8 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-939, eff.
9 6-24-10; 96-1000, eff. 7-2-10.)

10 (Text of Section after amendment by P.A. 96-845)

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

13 (a) The county board of any county may impose a tax upon
14 all persons engaged in the business of selling tangible
15 personal property, other than personal property titled or
16 registered with an agency of this State's government, at retail
17 in the county on the gross receipts from the sales made in the
18 course of business to provide revenue to be used exclusively
19 for public safety, public facility, or transportation purposes
20 in that county, if a proposition for the tax has been submitted
21 to the electors of that county and approved by a majority of
22 those voting on the question. If imposed, this tax shall be
23 imposed only in one-quarter percent increments. By resolution,
24 the county board may order the proposition to be submitted at
25 any election. If the tax is imposed for transportation purposes

1 for expenditures for public highways or as authorized under the
2 Illinois Highway Code, the county board must publish notice of
3 the existence of its long-range highway transportation plan as
4 required or described in Section 5-301 of the Illinois Highway
5 Code and must make the plan publicly available prior to
6 approval of the ordinance or resolution imposing the tax. If
7 the tax is imposed for transportation purposes for expenditures
8 for passenger rail transportation, the county board must
9 publish notice of the existence of its long-range passenger
10 rail transportation plan and must make the plan publicly
11 available prior to approval of the ordinance or resolution
12 imposing the tax.

13 If a tax is imposed for public facilities purposes, then
14 the name of the project may be included in the proposition at
15 the discretion of the county board as determined in the
16 enabling resolution. For example, the "XXX Nursing Home" or the
17 "YYY Museum".

18 The county clerk shall certify the question to the proper
19 election authority, who shall submit the proposition at an
20 election in accordance with the general election law.

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

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

26 As additional information on the ballot below the

1 question shall appear the following:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail. If imposed,
2 the additional tax would cease being collected at the end
3 of (insert number of years), if not terminated earlier by a
4 vote of the county board."

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

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

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

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

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

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

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

1 "To pay for public facilities purposes, shall (name of
2 county) be authorized to impose an increase on its share of
3 local sales taxes by (insert rate) for a period not to
4 exceed (insert number of years)?"

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

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

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

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

25 If a majority of the electors voting on the proposition
26 vote in favor of it, the county may impose the tax. A county

1 may not submit more than one proposition authorized by this
2 Section to the electors at any one time.

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

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

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

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the order to be drawn for the
24 amount specified and to the person named in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the County Public Safety or Transportation

1 Retailers' Occupation Tax Fund.

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

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

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

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

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

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

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

17 As soon as possible after the first day of each month,
18 beginning January 1, 2011, upon certification of the Department
19 of Revenue, the Comptroller shall order transferred, and the
20 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
21 local sales tax increment, as defined in the Innovation
22 Development and Economy Act, collected under this Section
23 during the second preceding calendar month for sales within a
24 STAR bond district.

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

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

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

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

12 A county may direct, by ordinance, that all or a portion of
13 the taxes and penalties collected under the Special County
14 Retailers' Occupation Tax For Public Safety or Transportation
15 be deposited into the Transportation Development Partnership
16 Trust Fund.

17 (c-5) In allocating or sourcing any municipal, county or
18 special district's retailers' occupation tax or the local share
19 of the state's retailers' occupation tax for sales occurring in
20 this state, other than sales of tangible personal property
21 titled or registered with an agency of this State's government,
22 the Department of Revenue shall deem as the sales location for
23 such allocation or sourcing purposes the office location that
24 the order for the purchase of the tangible personal property is
25 accepted by the retailer or its authorized representative,
26 except as provided in the next paragraph. In determining the

1 acceptance location for a sale, the office the order is first
2 received by the retailer or its authorized representative shall
3 be deemed the acceptance location, unless clearly proven
4 otherwise by the retailer that the final event or activity
5 giving rise to the retailer's acceptance of, or the binding
6 contract for, such sale occurred at a different office
7 location. In applying this Subsection (c-5), if the order is
8 received by electronic means, including but not limited to
9 e-mail and facsimile transmission, and the first electronic
10 receipt of the order is not addressed to or otherwise
11 identified with a specific office location of the retailer or
12 its authorized representative, then the order shall be deemed
13 first received at the office location of the retailer or its
14 authorized representative to which the addressee of the
15 electronic order is primarily assigned or stationed, but in the
16 event such addressee has no identifiable office location then
17 the order shall be deemed first received at the office location
18 that first records the receipt of such electronic order. For
19 purposes of this Subsection (c-5), the term "order" means the
20 request (in writing, orally or electronically) by the purchaser
21 to buy tangible personal property. Neither the delivery
22 location nor the location of the acceptance of the tangible
23 personal property by the purchaser (either before or after
24 inspection or installation) shall determine the sales location
25 for allocation or sourcing purposes under this Section.

26 Notwithstanding the preceding paragraph, the sales

1 location for the allocation or sourcing of any municipal,
2 county or special district's retailers' occupation tax or the
3 local share of the state's retailers' occupation tax shall be
4 as follows: (1) in the event the acceptance of the order by the
5 retailer occurs outside of the state (whether or not the
6 receipt of the order occurs within the state), then in those
7 situations the sales location shall be deemed outside of the
8 state, and no local sourcing of retailers' occupation tax
9 applies, except when the tangible personal property which is
10 being sold is in the inventory of the retailer at a location
11 within the state at the time of sale (or is subsequently
12 produced by the retailer at a location in this state), then in
13 that event such inventory location shall be deemed the sales
14 location, or (2) in those situations in which the retailer
15 sends to the purchaser a complete and unconditional offer to
16 sell, then the sales location shall be the office location that
17 the retailer or its authorized representative first receives
18 back the purchaser's acceptance of such offer, or (3) for keep
19 full or similar requirements contracts where the retailer
20 agrees to supply tangible personal property to a purchaser on a
21 continuous basis until notified to stop by the purchaser, then
22 for such contracts the sales location shall be the office
23 location that the retailer or its authorized representative
24 receives the initial order under such contract, provided that
25 if such contract is a written contract not requiring a separate
26 initial order to start the continuous supply process, then in

1 such a situation the sales location shall be the office
2 location that the retailer or its authorized representative
3 signed the contract, or (4) for sales accepted in Illinois
4 under a long term blanket or master contract which (though
5 definite as to price and quantity) must be implemented by the
6 purchaser's placing of specific orders when goods are wanted,
7 the office location of the retailer or its authorized
8 representative with which such subsequent specific orders are
9 received (rather than the place where the seller signed the
10 master contract) will determine the sales location with respect
11 to such orders, or (5) for sales to end users by a producer of
12 coal or other minerals mined in this state, the sales location
13 shall be the place where the coal or other minerals mined in
14 this state is extracted from the earth. With respect to
15 minerals (i) the term "extracted from the earth" means the
16 location at which the coal or other mineral is extracted from
17 the mouth of the mine, and (ii) a "mineral" includes not only
18 coal, but also oil, sand, stone taken from a quarry, gravel and
19 any other thing commonly regarded as a mineral and extracted
20 from the earth.

21 The changes made by this amendatory Act of the 97th General
22 Assembly shall be effective upon becoming law, and for past
23 periods not yet closed by any applicable limitations period, a
24 retailer may elect to apply this subsection in the allocation
25 of its past sales but only to the extent it does not change the
26 retailer's previous filing location for such sales.

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

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

14 (e-5) If a county imposes a tax under this Section, the
15 county board may, by ordinance, discontinue or lower the rate
16 of the tax. If the county board lowers the tax rate or
17 discontinues the tax, a referendum must be held in accordance
18 with subsection (a) of this Section in order to increase the
19 rate of the tax or to reimpose the discontinued tax.

20 (f) Beginning April 1, 1998, the results of any election
21 authorizing a proposition to impose a tax under this Section or
22 effecting a change in the rate of tax, or any ordinance
23 lowering the rate or discontinuing the tax, shall be certified
24 by the county clerk and filed with the Illinois Department of
25 Revenue either (i) on or before the first day of April,
26 whereupon the Department shall proceed to administer and

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

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

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

15 (i) For purposes of this Section, "public safety" includes,
16 but is not limited to, crime prevention, detention, fire
17 fighting, police, medical, ambulance, or other emergency
18 services. The county may share tax proceeds received under this
19 Section for public safety purposes, including proceeds
20 received before August 4, 2009 (the effective date of Public
21 Act 96-124), with any fire protection district located in the
22 county. For the purposes of this Section, "transportation"
23 includes, but is not limited to, the construction, maintenance,
24 operation, and improvement of public highways, any other
25 purpose for which a county may expend funds under the Illinois
26 Highway Code, and passenger rail transportation. For the

1 purposes of this Section, "public facilities purposes"
2 includes, but is not limited to, the acquisition, development,
3 construction, reconstruction, rehabilitation, improvement,
4 financing, architectural planning, and installation of capital
5 facilities consisting of buildings, structures, and durable
6 equipment and for the acquisition and improvement of real
7 property and interest in real property required, or expected to
8 be required, in connection with the public facilities, for use
9 by the county for the furnishing of governmental services to
10 its citizens, including but not limited to museums and nursing
11 homes.

12 (j) The Department may promulgate rules to implement Public
13 Act 95-1002 only to the extent necessary to apply the existing
14 rules for the Special County Retailers' Occupation Tax for
15 Public Safety to this new purpose for public facilities.

16 (Source: P.A. 95-474, eff. 1-1-08; 95-1002, eff. 11-20-08;
17 96-124, eff. 8-4-09; 96-622, eff. 8-24-09; 96-845, eff. 7-1-12;
18 96-939, eff. 6-24-10; 96-1000, eff. 7-2-10.)

19 (55 ILCS 5/5-1006.7)

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

21 (a) The county board of any county may impose a tax upon
22 all persons engaged in the business of selling tangible
23 personal property, other than personal property titled or
24 registered with an agency of this State's government, at retail
25 in the county on the gross receipts from the sales made in the

1 course of business to provide revenue to be used exclusively
2 for school facility purposes if a proposition for the tax has
3 been submitted to the electors of that county and approved by a
4 majority of those voting on the question as provided in
5 subsection (c). The tax under this Section may be imposed only
6 in one-quarter percent increments and may not exceed 1%.

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

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

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

10 The certificate of registration that is issued by the
11 Department to a retailer under the Retailers' Occupation Tax
12 Act permits the retailer to engage in a business that is
13 taxable without registering separately with the Department
14 under an ordinance or resolution under this subsection.

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

22 (b) If a tax has been imposed under subsection (a), then a
23 service occupation tax must also be imposed at the same rate
24 upon all persons engaged, in the county, in the business of
25 making sales of service, who, as an incident to making those
26 sales of service, transfer tangible personal property within

1 the county as an incident to a sale of service.

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

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

19 In the administration of and compliance with this
20 subsection, the Department and persons who are subject to this
21 subsection shall (i) have the same rights, remedies,
22 privileges, immunities, powers and duties, (ii) be subject to
23 the same conditions, restrictions, limitations, penalties and
24 definition of terms, and (iii) employ the same modes of
25 procedure as are set forth in Sections 2 (except that that
26 reference to State in the definition of supplier maintaining a

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

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

21 (c) The tax under this Section may not be imposed until, by
22 ordinance or resolution of the county board, the question of
23 imposing the tax has been submitted to the electors of the
24 county at a regular election and approved by a majority of the
25 electors voting on the question. Upon a resolution by the
26 county board or a resolution by school district boards that

1 represent at least 51% of the student enrollment within the
2 county, the county board must certify the question to the
3 proper election authority in accordance with the Election Code.

4 The election authority must submit the question in
5 substantially the following form:

6 Shall (name of county) be authorized to impose a
7 retailers' occupation tax and a service occupation tax
8 (commonly referred to as a "sales tax") at a rate of
9 (insert rate) to be used exclusively for school facility
10 purposes?

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

12 If a majority of the electors voting on the question vote
13 in the affirmative, then the county may, thereafter, impose the
14 tax.

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

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

25 On or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to the regional
2 superintendents of schools in counties from which retailers or
3 servicemen have paid taxes or penalties to the Department
4 during the second preceding calendar month. The amount to be
5 paid to each regional superintendent of schools and disbursed
6 to him or her in accordance with 3-14.31 of the School Code, is
7 equal to the amount (not including credit memoranda) collected
8 from the county under this Section during the second preceding
9 calendar month by the Department, (i) less 2% of that amount,
10 which shall be deposited into the Tax Compliance and
11 Administration Fund and shall be used by the Department,
12 subject to appropriation, to cover the costs of the Department
13 in administering and enforcing the provisions of this Section,
14 on behalf of the county, (ii) plus an amount that the
15 Department determines is necessary to offset any amounts that
16 were erroneously paid to a different taxing body; (iii) less an
17 amount equal to the amount of refunds made during the second
18 preceding calendar month by the Department on behalf of the
19 county; and (iv) less any amount that the Department determines
20 is necessary to offset any amounts that were payable to a
21 different taxing body but were erroneously paid to the county.
22 When certifying the amount of a monthly disbursement to a
23 regional superintendent of schools under this Section, the
24 Department shall increase or decrease the amounts by an amount
25 necessary to offset any miscalculation of previous
26 disbursements within the previous 6 months from the time a

1 miscalculation is discovered.

2 Within 10 days after receipt by the Comptroller from the
3 Department of the disbursement certification to the regional
4 superintendents of the schools provided for in this Section,
5 the Comptroller shall cause the orders to be drawn for the
6 respective amounts in accordance with directions contained in
7 the certification.

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

15 (d-5) In allocating or sourcing any municipal, county or
16 special district's retailers' occupation tax or the local share
17 of the state's retailers' occupation tax for sales occurring in
18 this state, other than sales of tangible personal property
19 titled or registered with an agency of this State's government,
20 the Department of Revenue shall deem as the sales location for
21 such allocation or sourcing purposes the office location that
22 the order for the purchase of the tangible personal property is
23 accepted by the retailer or its authorized representative,
24 except as provided in the next paragraph. In determining the
25 acceptance location for a sale, the office the order is first
26 received by the retailer or its authorized representative shall

1 be deemed the acceptance location, unless clearly proven
2 otherwise by the retailer that the final event or activity
3 giving rise to the retailer's acceptance of, or the binding
4 contract for, such sale occurred at a different office
5 location. In applying this Subsection (d-5), if the order is
6 received by electronic means, including but not limited to
7 e-mail and facsimile transmission, and the first electronic
8 receipt of the order is not addressed to or otherwise
9 identified with a specific office location of the retailer or
10 its authorized representative, then the order shall be deemed
11 first received at the office location of the retailer or its
12 authorized representative to which the addressee of the
13 electronic order is primarily assigned or stationed, but in the
14 event such addressee has no identifiable office location then
15 the order shall be deemed first received at the office location
16 that first records the receipt of such electronic order. For
17 purposes of this Subsection (d-5), the term "order" means the
18 request (in writing, orally or electronically) by the purchaser
19 to buy tangible personal property. Neither the delivery
20 location nor the location of the acceptance of the tangible
21 personal property by the purchaser (either before or after
22 inspection or installation) shall determine the sales location
23 for allocation or sourcing purposes under this Section.

24 Notwithstanding the preceding paragraph, the sales
25 location for the allocation or sourcing of any municipal,
26 county or special district's retailers' occupation tax or the

1 local share of the state's retailers' occupation tax shall be
2 as follows: (1) in the event the acceptance of the order by the
3 retailer occurs outside of the state (whether or not the
4 receipt of the order occurs within the state), then in those
5 situations the sales location shall be deemed outside of the
6 state, and no local sourcing of retailers' occupation tax
7 applies, except when the tangible personal property which is
8 being sold is in the inventory of the retailer at a location
9 within the state at the time of sale (or is subsequently
10 produced by the retailer at a location in this state), then in
11 that event such inventory location shall be deemed the sales
12 location, or (2) in those situations in which the retailer
13 sends to the purchaser a complete and unconditional offer to
14 sell, then the sales location shall be the office location that
15 the retailer or its authorized representative first receives
16 back the purchaser's acceptance of such offer, or (3) for keep
17 full or similar requirements contracts where the retailer
18 agrees to supply tangible personal property to a purchaser on a
19 continuous basis until notified to stop by the purchaser, then
20 for such contracts the sales location shall be the office
21 location that the retailer or its authorized representative
22 receives the initial order under such contract, provided that
23 if such contract is a written contract not requiring a separate
24 initial order to start the continuous supply process, then in
25 such a situation the sales location shall be the office
26 location that the retailer or its authorized representative

1 signed the contract, or (4) for sales accepted in Illinois
2 under a long term blanket or master contract which (though
3 definite as to price and quantity) must be implemented by the
4 purchaser's placing of specific orders when goods are wanted,
5 the office location of the retailer or its authorized
6 representative with which such subsequent specific orders are
7 received (rather than the place where the seller signed the
8 master contract) will determine the sales location with respect
9 to such orders, or (5) for sales to end users by a producer of
10 coal or other minerals mined in this state, the sales location
11 shall be the place where the coal or other minerals mined in
12 this state is extracted from the earth. With respect to
13 minerals (i) the term "extracted from the earth" means the
14 location at which the coal or other mineral is extracted from
15 the mouth of the mine, and (ii) a "mineral" includes not only
16 coal, but also oil, sand, stone taken from a quarry, gravel and
17 any other thing commonly regarded as a mineral and extracted
18 from the earth.

19 The changes made by this amendatory Act of the 97th General
20 Assembly shall be effective upon becoming law, and for past
21 periods not yet closed by any applicable limitations period, a
22 retailer may elect to apply this subsection in the allocation
23 of its past sales but only to the extent it does not change the
24 retailer's previous filing location for such sales.

25 (e) For the purposes of determining the local governmental
26 unit whose tax is applicable, a retail sale by a producer of

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

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

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

24 The results of any election that authorizes a proposition
25 to impose a tax under this Section or to change the rate of the
26 tax along with an ordinance imposing the tax, or any ordinance

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

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

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

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

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

1 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

2 Sec. 5-1007. Home Rule County Service Occupation Tax Law.

3 The corporate authorities of a home rule county may impose a
4 tax upon all persons engaged, in such county, in the business
5 of making sales of service at the same rate of tax imposed
6 pursuant to Section 5-1006 of the selling price of all tangible
7 personal property transferred by such servicemen either in the
8 form of tangible personal property or in the form of real
9 estate as an incident to a sale of service. If imposed, such
10 tax shall only be imposed in 1/4% increments. On and after
11 September 1, 1991, this additional tax may not be imposed on
12 the sales of food for human consumption which is to be consumed
13 off the premises where it is sold (other than alcoholic
14 beverages, soft drinks and food which has been prepared for
15 immediate consumption) and prescription and nonprescription
16 medicines, drugs, medical appliances and insulin, urine
17 testing materials, syringes and needles used by diabetics. The
18 tax imposed by a home rule county pursuant to this Section and
19 all civil penalties that may be assessed as an incident thereof
20 shall be collected and enforced by the State Department of
21 Revenue. The certificate of registration which is issued by the
22 Department to a retailer under the Retailers' Occupation Tax
23 Act or under the Service Occupation Tax Act shall permit such
24 registrant to engage in a business which is taxable under any
25 ordinance or resolution enacted pursuant to this Section
26 without registering separately with the Department under such

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

1 set forth herein.

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

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

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

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

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

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

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

24 In addition to the disbursement required by the preceding
25 paragraph, an allocation shall be made in each year to each
26 county which received more than \$500,000 in disbursements under

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

12 In allocating or sourcing any municipal, county or special
13 district's retailers' occupation tax or the local share of the
14 state's retailers' occupation tax for sales occurring in this
15 state, other than sales of tangible personal property titled or
16 registered with an agency of this State's government, the
17 Department of Revenue shall deem as the sales location for such
18 allocation or sourcing purposes the office location that the
19 order for the purchase of the tangible personal property is
20 accepted by the retailer or its authorized representative,
21 except as provided in the next paragraph. In determining the
22 acceptance location for a sale, the office the order is first
23 received by the retailer or its authorized representative shall
24 be deemed the acceptance location, unless clearly proven
25 otherwise by the retailer that the final event or activity
26 giving rise to the retailer's acceptance of, or the binding

1 contract for, such sale occurred at a different office
2 location. In applying this paragraph, if the order is received
3 by electronic means, including but not limited to e-mail and
4 facsimile transmission, and the first electronic receipt of the
5 order is not addressed to or otherwise identified with a
6 specific office location of the retailer or its authorized
7 representative, then the order shall be deemed first received
8 at the office location of the retailer or its authorized
9 representative to which the addressee of the electronic order
10 is primarily assigned or stationed, but in the event such
11 addressee has no identifiable office location then the order
12 shall be deemed first received at the office location that
13 first records the receipt of such electronic order. For
14 purposes of this paragraph and the next paragraph, the term
15 "order" means the request (in writing, orally or
16 electronically) by the purchaser to buy tangible personal
17 property. Neither the delivery location nor the location of the
18 acceptance of the tangible personal property by the purchaser
19 (either before or after inspection or installation) shall
20 determine the sales location for allocation or sourcing
21 purposes under this Section.

22 Notwithstanding the preceding paragraph, the sales
23 location for the allocation or sourcing of any municipal,
24 county or special district's retailers' occupation tax or the
25 local share of the state's retailers' occupation tax shall be
26 as follows: (1) in the event the acceptance of the order by the

1 retailer occurs outside of the state (whether or not the
2 receipt of the order occurs within the state), then in those
3 situations the sales location shall be deemed outside of the
4 state, and no local sourcing of retailers' occupation tax
5 applies, except when the tangible personal property which is
6 being sold is in the inventory of the retailer at a location
7 within the state at the time of sale (or is subsequently
8 produced by the retailer at a location in this state), then in
9 that event such inventory location shall be deemed the sales
10 location, or (2) in those situations in which the retailer
11 sends to the purchaser a complete and unconditional offer to
12 sell, then the sales location shall be the office location that
13 the retailer or its authorized representative first receives
14 back the purchaser's acceptance of such offer, or (3) for keep
15 full or similar requirements contracts where the retailer
16 agrees to supply tangible personal property to a purchaser on a
17 continuous basis until notified to stop by the purchaser, then
18 for such contracts the sales location shall be the office
19 location that the retailer or its authorized representative
20 receives the initial order under such contract, provided that
21 if such contract is a written contract not requiring a separate
22 initial order to start the continuous supply process, then in
23 such a situation the sales location shall be the office
24 location that the retailer or its authorized representative
25 signed the contract, or (4) for sales accepted in Illinois
26 under a long term blanket or master contract which (though

1 definite as to price and quantity) must be implemented by the
2 purchaser's placing of specific orders when goods are wanted,
3 the office location of the retailer or its authorized
4 representative with which such subsequent specific orders are
5 received (rather than the place where the seller signed the
6 master contract) will determine the sales location with respect
7 to such orders, or (5) for sales to end users by a producer of
8 coal or other minerals mined in this state, the sales location
9 shall be the place where the coal or other minerals mined in
10 this state is extracted from the earth. With respect to
11 minerals (i) the term "extracted from the earth" means the
12 location at which the coal or other mineral is extracted from
13 the mouth of the mine, and (ii) a "mineral" includes not only
14 coal, but also oil, sand, stone taken from a quarry, gravel and
15 any other thing commonly regarded as a mineral and extracted
16 from the earth.

17 The changes made by this amendatory Act of the 97th General
18 Assembly shall be effective upon becoming law, and for past
19 periods not yet closed by any applicable limitations period, a
20 retailer may elect to apply the changes made to this Section by
21 this amendatory Act of the 97th General Assembly in the
22 allocation of its past sales but only to the extent it does not
23 change the retailer's previous filing location for such sales.

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

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

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

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

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

8 (Source: P.A. 96-939, eff. 6-24-10.)

9 (55 ILCS 5/5-1008.5)

10 Sec. 5-1008.5. Use and occupation taxes.

11 (a) The Rock Island County Board may adopt a resolution
12 that authorizes a referendum on the question of whether the
13 county shall be authorized to impose a retailers' occupation
14 tax, a service occupation tax, and a use tax at a rate of 1/4 of
15 1% on behalf of the economic development activities of Rock
16 Island County and communities located within the county. The
17 county board shall certify the question to the proper election
18 authorities who shall submit the question to the voters of the
19 county at the next regularly scheduled election in accordance
20 with the general election law. The question shall be in
21 substantially the following form:

22 Shall Rock Island County be authorized to impose a
23 retailers' occupation tax, a service occupation tax, and a
24 use tax at the rate of 1/4 of 1% for the sole purpose of
25 economic development activities, including creation and

1 retention of job opportunities, support of affordable
2 housing opportunities, and enhancement of quality of life
3 improvements?

4 Votes shall be recorded as "yes" or "no". If a majority of
5 all votes cast on the proposition are in favor of the
6 proposition, the county is authorized to impose the tax.

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

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

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

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the tax fund referenced under paragraph (g) of
3 this Section.

4 If a tax is imposed under this subsection (b), a tax shall
5 also be imposed at the same rate under subsections (c) and (d)
6 of this Section.

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

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

20 (c) If a tax has been imposed under subsection (b), a
21 service occupation tax shall also be imposed at the same rate
22 upon all persons engaged, in the county, in the business of
23 making sales of service, who, as an incident to making those
24 sales of service, transfer tangible personal property within
25 the county as an incident to a sale of service. This additional
26 tax may not be imposed on the sale of food for human

1 consumption that is to be consumed off the premises where it is
2 sold (other than alcoholic beverages, soft drinks, and food
3 that has been prepared for immediate consumption) and
4 prescription and non-prescription medicines, drugs, medical
5 appliances and insulin, urine testing materials, syringes, and
6 needles used by diabetics. The tax imposed under this
7 subsection and all civil penalties that may be assessed as an
8 incident of the tax shall be collected and enforced by the
9 Department of Revenue. The Department has full power to
10 administer and enforce this paragraph; to collect all taxes and
11 penalties due under this Section; to dispose of taxes and
12 penalties so collected in the manner provided in this Section;
13 and to determine all rights to credit memoranda arising on
14 account of the erroneous payment of tax or penalty under this
15 Section. In the administration of, and compliance with this
16 paragraph, the Department and persons who are subject to this
17 paragraph shall (i) have the same rights, remedies, privileges,
18 immunities, powers, and duties, (ii) be subject to the same
19 conditions, restrictions, limitations, penalties, exclusions,
20 exemptions, and definitions of terms, and (iii) employ the same
21 modes of procedure as are prescribed in Sections 2 (except that
22 the reference to State in the definition of supplier
23 maintaining a place of business in this State shall mean the
24 county), 2a, 2b, 3 through 3-55 (in respect to all provisions
25 other than the State rate of tax), 4 (except that the reference
26 to the State shall be to the county), 5, 7, 8 (except that the

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

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

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

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

5 (d) If a tax has been imposed under subsection (b), a use
6 tax shall also be imposed at the same rate upon the privilege
7 of using, in the county, any item of tangible personal property
8 that is purchased outside the county at retail from a retailer,
9 and that is titled or registered at a location within the
10 county with an agency of this State's government. This
11 additional tax may not be imposed on the sale of food for human
12 consumption that is to be consumed off the premises where it is
13 sold (other than alcoholic beverages, soft drinks, and food
14 that has been prepared for immediate consumption) and
15 prescription and non-prescription medicines, drugs, medical
16 appliances and insulin, urine testing materials, syringes, and
17 needles used by diabetics. "Selling price" is defined as in the
18 Use Tax Act. The tax shall be collected from persons whose
19 Illinois address for titling or registration purposes is given
20 as being in the county. The tax shall be collected by the
21 Department of Revenue for the county. The tax must be paid to
22 the State, or an exemption determination must be obtained from
23 the Department of Revenue, before the title or certificate of
24 registration for the property may be issued. The tax or proof
25 of exemption may be transmitted to the Department by way of the
26 State agency with which, or the State officer with whom, the

1 tangible personal property must be titled or registered if the
2 Department and the State agency or State officer determine that
3 this procedure will expedite the processing of applications for
4 title or registration.

5 The Department has full power to administer and enforce
6 this paragraph; to collect all taxes, penalties, and interest
7 due under this Section; to dispose of taxes, penalties, and
8 interest so collected in the manner provided in this Section;
9 and to determine all rights to credit memoranda or refunds
10 arising on account of the erroneous payment of tax, penalty, or
11 interest under this Section. In the administration of, and
12 compliance with, this subsection, the Department and persons
13 who are subject to this paragraph shall (i) have the same
14 rights, remedies, privileges, immunities, powers, and duties,
15 (ii) be subject to the same conditions, restrictions,
16 limitations, penalties, exclusions, exemptions, and
17 definitions of terms, and (iii) employ the same modes of
18 procedure as are prescribed in Sections 2 (except the
19 definition of "retailer maintaining a place of business in this
20 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
21 7, 8 (except that the jurisdiction to which the tax shall be a
22 debt to the extent indicated in that Section 8 shall be the
23 county), 9 (except provisions relating to quarter monthly
24 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
25 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
26 Interest Act, that are not inconsistent with this paragraph, as

1 fully as if those provisions were set forth in this subsection.

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

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

19 (f) The results of any election authorizing a proposition
20 to impose a tax under this Section or effecting a change in the
21 rate of tax shall be certified by the proper election
22 authorities and filed with the Illinois Department on or before
23 the first day of October. In addition, an ordinance imposing,
24 discontinuing, or effecting a change in the rate of tax under
25 this Section shall be adopted and a certified copy of the
26 ordinance filed with the Department on or before the first day

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

5 (g) The Department of Revenue shall, upon collecting any
6 taxes and penalties as provided in this Section, pay the taxes
7 and penalties over to the State Treasurer as trustee for the
8 county. The taxes and penalties shall be held in a trust fund
9 outside the State Treasury. On or before the 25th day of each
10 calendar month, the Department of Revenue shall prepare and
11 certify to the Comptroller of the State of Illinois the amount
12 to be paid to the county, which shall be the balance in the
13 fund, less any amount determined by the Department to be
14 necessary for the payment of refunds. Within 10 days after
15 receipt by the Comptroller of the certification of the amount
16 to be paid to the county, the Comptroller shall cause an order
17 to be drawn for payment for the amount in accordance with the
18 directions contained in the certification. Amounts received
19 from the tax imposed under this Section shall be used only for
20 the economic development activities of the county and
21 communities located within the county.

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

1 months from the time a miscalculation is discovered.

2 (h-5) In allocating or sourcing any municipal, county or
3 special district's retailers' occupation tax or the local share
4 of the state's retailers' occupation tax for sales occurring in
5 this state, other than sales of tangible personal property
6 titled or registered with an agency of this State's government,
7 the Department of Revenue shall deem as the sales location for
8 such allocation or sourcing purposes the office location that
9 the order for the purchase of the tangible personal property is
10 accepted by the retailer or its authorized representative,
11 except as provided in the next paragraph. In determining the
12 acceptance location for a sale, the office the order is first
13 received by the retailer or its authorized representative shall
14 be deemed the acceptance location, unless clearly proven
15 otherwise by the retailer that the final event or activity
16 giving rise to the retailer's acceptance of, or the binding
17 contract for, such sale occurred at a different office
18 location. In applying this Subsection (h-5), if the order is
19 received by electronic means, including but not limited to
20 e-mail and facsimile transmission, and the first electronic
21 receipt of the order is not addressed to or otherwise
22 identified with a specific office location of the retailer or
23 its authorized representative, then the order shall be deemed
24 first received at the office location of the retailer or its
25 authorized representative to which the addressee of the
26 electronic order is primarily assigned or stationed, but in the

1 event such addressee has no identifiable office location then
2 the order shall be deemed first received at the office location
3 that first records the receipt of such electronic order. For
4 purposes of this Subsection (h-5), the term "order" means the
5 request (in writing, orally or electronically) by the purchaser
6 to buy tangible personal property. Neither the delivery
7 location nor the location of the acceptance of the tangible
8 personal property by the purchaser (either before or after
9 inspection or installation) shall determine the sales location
10 for allocation or sourcing purposes under this Section.

11 Notwithstanding the preceding paragraph, the sales
12 location for the allocation or sourcing of any municipal,
13 county or special district's retailers' occupation tax or the
14 local share of the state's retailers' occupation tax shall be
15 as follows: (1) in the event the acceptance of the order by the
16 retailer occurs outside of the state (whether or not the
17 receipt of the order occurs within the state), then in those
18 situations the sales location shall be deemed outside of the
19 state, and no local sourcing of retailers' occupation tax
20 applies, except when the tangible personal property which is
21 being sold is in the inventory of the retailer at a location
22 within the state at the time of sale (or is subsequently
23 produced by the retailer at a location in this state), then in
24 that event such inventory location shall be deemed the sales
25 location, or (2) in those situations in which the retailer
26 sends to the purchaser a complete and unconditional offer to

1 sell, then the sales location shall be the office location that
2 the retailer or its authorized representative first receives
3 back the purchaser's acceptance of such offer, or (3) for keep
4 full or similar requirements contracts where the retailer
5 agrees to supply tangible personal property to a purchaser on a
6 continuous basis until notified to stop by the purchaser, then
7 for such contracts the sales location shall be the office
8 location that the retailer or its authorized representative
9 receives the initial order under such contract, provided that
10 if such contract is a written contract not requiring a separate
11 initial order to start the continuous supply process, then in
12 such a situation the sales location shall be the office
13 location that the retailer or its authorized representative
14 signed the contract, or (4) for sales accepted in Illinois
15 under a long term blanket or master contract which (though
16 definite as to price and quantity) must be implemented by the
17 purchaser's placing of specific orders when goods are wanted,
18 the office location of the retailer or its authorized
19 representative with which such subsequent specific orders are
20 received (rather than the place where the seller signed the
21 master contract) will determine the sales location with respect
22 to such orders, or (5) for sales to end users by a producer of
23 coal or other minerals mined in this state, the sales location
24 shall be the place where the coal or other minerals mined in
25 this state is extracted from the earth. With respect to
26 minerals (i) the term "extracted from the earth" means the

1 location at which the coal or other mineral is extracted from
2 the mouth of the mine, and (ii) a "mineral" includes not only
3 coal, but also oil, sand, stone taken from a quarry, gravel and
4 any other thing commonly regarded as a mineral and extracted
5 from the earth.

6 The changes made by this amendatory Act of the 97th General
7 Assembly shall be effective upon becoming law, and for past
8 periods not yet closed by any applicable limitations period, a
9 retailer may elect to apply this subsection in the allocation
10 of its past sales but only to the extent it does not change the
11 retailer's previous filing location for such sales.

12 (i) This Section may be cited as the Rock Island County Use
13 and Occupation Tax Law.

14 (Source: P.A. 90-415, eff. 8-15-97.)

15 Section 15. The Illinois Municipal Code is amended by
16 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6, and
17 8-11-1.7 as follows:

18 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

19 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
20 Act. The corporate authorities of a home rule municipality may
21 impose a tax upon all persons engaged in the business of
22 selling tangible personal property, other than an item of
23 tangible personal property titled or registered with an agency
24 of this State's government, at retail in the municipality on

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

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

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

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

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

1 amount specified and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the home rule municipal retailers' occupation
4 tax fund.

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

8 As soon as possible after the first day of each month,
9 beginning January 1, 2011, upon certification of the Department
10 of Revenue, the Comptroller shall order transferred, and the
11 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
12 local sales tax increment, as defined in the Innovation
13 Development and Economy Act, collected under this Section
14 during the second preceding calendar month for sales within a
15 STAR bond district.

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

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

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

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

24 In allocating or sourcing any municipal, county or special
25 district's retailers' occupation tax or the local share of the
26 state's retailers' occupation tax for sales occurring in this

1 state, other than sales of tangible personal property titled or
2 registered with an agency of this State's government, the
3 Department of Revenue shall deem as the sales location for such
4 allocation or sourcing purposes the office location that the
5 order for the purchase of the tangible personal property is
6 accepted by the retailer or its authorized representative,
7 except as provided in the next paragraph. In determining the
8 acceptance location for a sale, the office the order is first
9 received by the retailer or its authorized representative shall
10 be deemed the acceptance location, unless clearly proven
11 otherwise by the retailer that the final event or activity
12 giving rise to the retailer's acceptance of, or the binding
13 contract for, such sale occurred at a different office
14 location. In applying this paragraph, if the order is received
15 by electronic means, including but not limited to e-mail and
16 facsimile transmission, and the first electronic receipt of the
17 order is not addressed to or otherwise identified with a
18 specific office location of the retailer or its authorized
19 representative, then the order shall be deemed first received
20 at the office location of the retailer or its authorized
21 representative to which the addressee of the electronic order
22 is primarily assigned or stationed, but in the event such
23 addressee has no identifiable office location then the order
24 shall be deemed first received at the office location that
25 first records the receipt of such electronic order. For
26 purposes of this paragraph and the next paragraph, the term

1 "order" means the request (in writing, orally or
2 electronically) by the purchaser to buy tangible personal
3 property. Neither the delivery location nor the location of the
4 acceptance of the tangible personal property by the purchaser
5 (either before or after inspection or installation) shall
6 determine the sales location for allocation or sourcing
7 purposes under this Section.

8 Notwithstanding the preceding paragraph, the sales
9 location for the allocation or sourcing of any municipal,
10 county or special district's retailers' occupation tax or the
11 local share of the state's retailers' occupation tax shall be
12 as follows: (1) in the event the acceptance of the order by the
13 retailer occurs outside of the state (whether or not the
14 receipt of the order occurs within the state), then in those
15 situations the sales location shall be deemed outside of the
16 state, and no local sourcing of retailers' occupation tax
17 applies, except when the tangible personal property which is
18 being sold is in the inventory of the retailer at a location
19 within the state at the time of sale (or is subsequently
20 produced by the retailer at a location in this state), then in
21 that event such inventory location shall be deemed the sales
22 location, or (2) in those situations in which the retailer
23 sends to the purchaser a complete and unconditional offer to
24 sell, then the sales location shall be the office location that
25 the retailer or its authorized representative first receives
26 back the purchaser's acceptance of such offer, or (3) for keep

1 full or similar requirements contracts where the retailer
2 agrees to supply tangible personal property to a purchaser on a
3 continuous basis until notified to stop by the purchaser, then
4 for such contracts the sales location shall be the office
5 location that the retailer or its authorized representative
6 receives the initial order under such contract, provided that
7 if such contract is a written contract not requiring a separate
8 initial order to start the continuous supply process, then in
9 such a situation the sales location shall be the office
10 location that the retailer or its authorized representative
11 signed the contract, or (4) for sales accepted in Illinois
12 under a long term blanket or master contract which (though
13 definite as to price and quantity) must be implemented by the
14 purchaser's placing of specific orders when goods are wanted,
15 the office location of the retailer or its authorized
16 representative with which such subsequent specific orders are
17 received (rather than the place where the seller signed the
18 master contract) will determine the sales location with respect
19 to such orders, or (5) for sales to end users by a producer of
20 coal or other minerals mined in this state, the sales location
21 shall be the place where the coal or other minerals mined in
22 this state is extracted from the earth. With respect to
23 minerals (i) the term "extracted from the earth" means the
24 location at which the coal or other mineral is extracted from
25 the mouth of the mine, and (ii) a "mineral" includes not only
26 coal, but also oil, sand, stone taken from a quarry, gravel and

1 any other thing commonly regarded as a mineral and extracted
2 from the earth.

3 The changes made by this amendatory Act of the 97th General
4 Assembly shall be effective upon becoming law, and for past
5 periods not yet closed by any applicable limitations period, a
6 retailer may elect to apply the changes made to this Section by
7 this amendatory Act of the 97th General Assembly in the
8 allocation of its past sales but only to the extent it does not
9 change the retailer's previous filing location for such sales.

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

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

23 An ordinance or resolution imposing or discontinuing a tax
24 hereunder or effecting a change in the rate thereof shall be
25 adopted and a certified copy thereof filed with the Department
26 on or before the first day of June, whereupon the Department

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

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

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

14 Any unobligated balance remaining in the Municipal
15 Retailers' Occupation Tax Fund on December 31, 1989, which fund
16 was abolished by Public Act 85-1135, and all receipts of
17 municipal tax as a result of audits of liability periods prior
18 to January 1, 1990, shall be paid into the Local Government Tax
19 Fund for distribution as provided by this Section prior to the
20 enactment of Public Act 85-1135. All receipts of municipal tax
21 as a result of an assessment not arising from an audit, for
22 liability periods prior to January 1, 1990, shall be paid into
23 the Local Government Tax Fund for distribution before July 1,
24 1990, as provided by this Section prior to the enactment of
25 Public Act 85-1135; and on and after July 1, 1990, all such
26 receipts shall be distributed as provided in Section 6z-18 of

1 the State Finance Act.

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

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

7 (Source: P.A. 96-939, eff. 6-24-10.)

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

9 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
10 Occupation Tax Act. The corporate authorities of a non-home
11 rule municipality may impose a tax upon all persons engaged in
12 the business of selling tangible personal property, other than
13 on an item of tangible personal property which is titled and
14 registered by an agency of this State's Government, at retail
15 in the municipality for expenditure on public infrastructure or
16 for property tax relief or both as defined in Section 8-11-1.2
17 if approved by referendum as provided in Section 8-11-1.1, of
18 the gross receipts from such sales made in the course of such
19 business. If the tax is approved by referendum on or after July
20 14, 2010 (the effective date of Public Act 96-1057) ~~this~~
21 ~~amendatory Act of the 96th General Assembly~~, the corporate
22 authorities of a non-home rule municipality may, until December
23 31, 2015, use the proceeds of the tax for expenditure on
24 municipal operations, in addition to or in lieu of any
25 expenditure on public infrastructure or for property tax

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

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

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

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

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

1 Treasurer out of the non-home rule municipal retailers'
2 occupation tax fund.

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

6 As soon as possible after the first day of each month,
7 beginning January 1, 2011, upon certification of the Department
8 of Revenue, the Comptroller shall order transferred, and the
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
10 local sales tax increment, as defined in the Innovation
11 Development and Economy Act, collected under this Section
12 during the second preceding calendar month for sales within a
13 STAR bond district.

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

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

13 In allocating or sourcing any municipal, county or special
14 district's retailers' occupation tax or the local share of the
15 state's retailers' occupation tax for sales occurring in this
16 state, other than sales of tangible personal property titled or
17 registered with an agency of this State's government, the
18 Department of Revenue shall deem as the sales location for such
19 allocation or sourcing purposes the office location that the
20 order for the purchase of the tangible personal property is
21 accepted by the retailer or its authorized representative,
22 except as provided in the next paragraph. In determining the
23 acceptance location for a sale, the office the order is first
24 received by the retailer or its authorized representative shall
25 be deemed the acceptance location, unless clearly proven
26 otherwise by the retailer that the final event or activity

1 giving rise to the retailer's acceptance of, or the binding
2 contract for, such sale occurred at a different office
3 location. In applying this paragraph, if the order is received
4 by electronic means, including but not limited to e-mail and
5 facsimile transmission, and the first electronic receipt of the
6 order is not addressed to or otherwise identified with a
7 specific office location of the retailer or its authorized
8 representative, then the order shall be deemed first received
9 at the office location of the retailer or its authorized
10 representative to which the addressee of the electronic order
11 is primarily assigned or stationed, but in the event such
12 addressee has no identifiable office location then the order
13 shall be deemed first received at the office location that
14 first records the receipt of such electronic order. For
15 purposes of this paragraph and the next paragraph, the term
16 "order" means the request (in writing, orally or
17 electronically) by the purchaser to buy tangible personal
18 property. Neither the delivery location nor the location of the
19 acceptance of the tangible personal property by the purchaser
20 (either before or after inspection or installation) shall
21 determine the sales location for allocation or sourcing
22 purposes under this Section.

23 Notwithstanding the preceding paragraph, the sales
24 location for the allocation or sourcing of any municipal,
25 county or special district's retailers' occupation tax or the
26 local share of the state's retailers' occupation tax shall be

1 as follows: (1) in the event the acceptance of the order by the
2 retailer occurs outside of the state (whether or not the
3 receipt of the order occurs within the state), then in those
4 situations the sales location shall be deemed outside of the
5 state, and no local sourcing of retailers' occupation tax
6 applies, except when the tangible personal property which is
7 being sold is in the inventory of the retailer at a location
8 within the state at the time of sale (or is subsequently
9 produced by the retailer at a location in this state), then in
10 that event such inventory location shall be deemed the sales
11 location, or (2) in those situations in which the retailer
12 sends to the purchaser a complete and unconditional offer to
13 sell, then the sales location shall be the office location that
14 the retailer or its authorized representative first receives
15 back the purchaser's acceptance of such offer, or (3) for keep
16 full or similar requirements contracts where the retailer
17 agrees to supply tangible personal property to a purchaser on a
18 continuous basis until notified to stop by the purchaser, then
19 for such contracts the sales location shall be the office
20 location that the retailer or its authorized representative
21 receives the initial order under such contract, provided that
22 if such contract is a written contract not requiring a separate
23 initial order to start the continuous supply process, then in
24 such a situation the sales location shall be the office
25 location that the retailer or its authorized representative
26 signed the contract, or (4) for sales accepted in Illinois

1 under a long term blanket or master contract which (though
2 definite as to price and quantity) must be implemented by the
3 purchaser's placing of specific orders when goods are wanted,
4 the office location of the retailer or its authorized
5 representative with which such subsequent specific orders are
6 received (rather than the place where the seller signed the
7 master contract) will determine the sales location with respect
8 to such orders, or (5) for sales to end users by a producer of
9 coal or other minerals mined in this state, the sales location
10 shall be the place where the coal or other minerals mined in
11 this state is extracted from the earth. With respect to
12 minerals (i) the term "extracted from the earth" means the
13 location at which the coal or other mineral is extracted from
14 the mouth of the mine, and (ii) a "mineral" includes not only
15 coal, but also oil, sand, stone taken from a quarry, gravel and
16 any other thing commonly regarded as a mineral and extracted
17 from the earth.

18 The changes made by this amendatory Act of the 97th General
19 Assembly shall be effective upon becoming law, and for past
20 periods not yet closed by any applicable limitations period, a
21 retailer may elect to apply the changes made to this Section by
22 this amendatory Act of the 97th General Assembly in the
23 allocation of its past sales but only to the extent it does not
24 change the retailer's previous filing location for such sales.

25 For the purpose of determining the local governmental unit
26 whose tax is applicable, a retail sale, by a producer of coal

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

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

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

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

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

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

26 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;

1 revised 7-22-10.)

2 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

3 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
4 Tax Act. The corporate authorities of a non-home rule
5 municipality may impose a tax upon all persons engaged, in such
6 municipality, in the business of making sales of service for
7 expenditure on public infrastructure or for property tax relief
8 or both as defined in Section 8-11-1.2 if approved by
9 referendum as provided in Section 8-11-1.1, of the selling
10 price of all tangible personal property transferred by such
11 servicemen either in the form of tangible personal property or
12 in the form of real estate as an incident to a sale of service.
13 If the tax is approved by referendum on or after July 14, 2010
14 (the effective date of Public Act 96-1057) ~~this amendatory Act~~
15 ~~of the 96th General Assembly~~, the corporate authorities of a
16 non-home rule municipality may, until December 31, 2015, use
17 the proceeds of the tax for expenditure on municipal
18 operations, in addition to or in lieu of any expenditure on
19 public infrastructure or for property tax relief. The tax
20 imposed may not be more than 1% and may be imposed only in 1/4%
21 increments. The tax may not be imposed on the sale of food for
22 human consumption that is to be consumed off the premises where
23 it is sold (other than alcoholic beverages, soft drinks, and
24 food that has been prepared for immediate consumption) and
25 prescription and nonprescription medicines, drugs, medical

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

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

13 No municipality may impose a tax under this Section unless
14 the municipality also imposes a tax at the same rate under
15 Section 8-11-1.3 of this Code.

16 In allocating or sourcing any municipal, county or special
17 district's retailers' occupation tax or the local share of the
18 state's retailers' occupation tax for sales occurring in this
19 state, other than sales of tangible personal property titled or
20 registered with an agency of this State's government, the
21 Department of Revenue shall deem as the sales location for such
22 allocation or sourcing purposes the office location that the
23 order for the purchase of the tangible personal property is
24 accepted by the retailer or its authorized representative,
25 except as provided in the next paragraph. In determining the
26 acceptance location for a sale, the office the order is first

1 received by the retailer or its authorized representative shall
2 be deemed the acceptance location, unless clearly proven
3 otherwise by the retailer that the final event or activity
4 giving rise to the retailer's acceptance of, or the binding
5 contract for, such sale occurred at a different office
6 location. In applying this paragraph, if the order is received
7 by electronic means, including but not limited to e-mail and
8 facsimile transmission, and the first electronic receipt of the
9 order is not addressed to or otherwise identified with a
10 specific office location of the retailer or its authorized
11 representative, then the order shall be deemed first received
12 at the office location of the retailer or its authorized
13 representative to which the addressee of the electronic order
14 is primarily assigned or stationed, but in the event such
15 addressee has no identifiable office location then the order
16 shall be deemed first received at the office location that
17 first records the receipt of such electronic order. For
18 purposes of this paragraph and the next paragraph, the term
19 "order" means the request (in writing, orally or
20 electronically) by the purchaser to buy tangible personal
21 property. Neither the delivery location nor the location of the
22 acceptance of the tangible personal property by the purchaser
23 (either before or after inspection or installation) shall
24 determine the sales location for allocation or sourcing
25 purposes under this Section.

26 Notwithstanding the preceding paragraph, the sales

1 location for the allocation or sourcing of any municipal,
2 county or special district's retailers' occupation tax or the
3 local share of the state's retailers' occupation tax shall be
4 as follows: (1) in the event the acceptance of the order by the
5 retailer occurs outside of the state (whether or not the
6 receipt of the order occurs within the state), then in those
7 situations the sales location shall be deemed outside of the
8 state, and no local sourcing of retailers' occupation tax
9 applies, except when the tangible personal property which is
10 being sold is in the inventory of the retailer at a location
11 within the state at the time of sale (or is subsequently
12 produced by the retailer at a location in this state), then in
13 that event such inventory location shall be deemed the sales
14 location, or (2) in those situations in which the retailer
15 sends to the purchaser a complete and unconditional offer to
16 sell, then the sales location shall be the office location that
17 the retailer or its authorized representative first receives
18 back the purchaser's acceptance of such offer, or (3) for keep
19 full or similar requirements contracts where the retailer
20 agrees to supply tangible personal property to a purchaser on a
21 continuous basis until notified to stop by the purchaser, then
22 for such contracts the sales location shall be the office
23 location that the retailer or its authorized representative
24 receives the initial order under such contract, provided that
25 if such contract is a written contract not requiring a separate
26 initial order to start the continuous supply process, then in

1 such a situation the sales location shall be the office
2 location that the retailer or its authorized representative
3 signed the contract, or (4) for sales accepted in Illinois
4 under a long term blanket or master contract which (though
5 definite as to price and quantity) must be implemented by the
6 purchaser's placing of specific orders when goods are wanted,
7 the office location of the retailer or its authorized
8 representative with which such subsequent specific orders are
9 received (rather than the place where the seller signed the
10 master contract) will determine the sales location with respect
11 to such orders, or (5) for sales to end users by a producer of
12 coal or other minerals mined in this state, the sales location
13 shall be the place where the coal or other minerals mined in
14 this state is extracted from the earth. With respect to
15 minerals (i) the term "extracted from the earth" means the
16 location at which the coal or other mineral is extracted from
17 the mouth of the mine, and (ii) a "mineral" includes not only
18 coal, but also oil, sand, stone taken from a quarry, gravel and
19 any other thing commonly regarded as a mineral and extracted
20 from the earth.

21 The changes made by this amendatory Act of the 97th General
22 Assembly shall be effective upon becoming law, and for past
23 periods not yet closed by any applicable limitations period, a
24 retailer may elect to apply the changes made to this Section by
25 this amendatory Act of the 97th General Assembly in the
26 allocation of its past sales but only to the extent it does not

1 change the retailer's previous filing location for such sales.

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

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

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

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the Innovation
25 Development and Economy Act, collected under this Section
26 during the second preceding calendar month for sales within a

1 STAR bond district.

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

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

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

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

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

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

9 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
10 revised 7-22-10.)

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

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

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

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

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

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

1 bracket schedules as the Department may prescribe.

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

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

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Innovation
18 Development and Economy Act, collected under this Section
19 during the second preceding calendar month for sales within a
20 STAR bond district.

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

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

20 In allocating or sourcing any municipal, county or special
21 district's retailers' occupation tax or the local share of the
22 state's retailers' occupation tax for sales occurring in this
23 state, other than sales of tangible personal property titled or
24 registered with an agency of this State's government, the
25 Department of Revenue shall deem as the sales location for such
26 allocation or sourcing purposes the office location that the

1 order for the purchase of the tangible personal property is
2 accepted by the retailer or its authorized representative,
3 except as provided in the next paragraph. In determining the
4 acceptance location for a sale, the office the order is first
5 received by the retailer or its authorized representative shall
6 be deemed the acceptance location, unless clearly proven
7 otherwise by the retailer that the final event or activity
8 giving rise to the retailer's acceptance of, or the binding
9 contract for, such sale occurred at a different office
10 location. In applying this paragraph, if the order is received
11 by electronic means, including but not limited to e-mail and
12 facsimile transmission, and the first electronic receipt of the
13 order is not addressed to or otherwise identified with a
14 specific office location of the retailer or its authorized
15 representative, then the order shall be deemed first received
16 at the office location of the retailer or its authorized
17 representative to which the addressee of the electronic order
18 is primarily assigned or stationed, but in the event such
19 addressee has no identifiable office location then the order
20 shall be deemed first received at the office location that
21 first records the receipt of such electronic order. For
22 purposes of this paragraph and the next paragraph, the term
23 "order" means the request (in writing, orally or
24 electronically) by the purchaser to buy tangible personal
25 property. Neither the delivery location nor the location of the
26 acceptance of the tangible personal property by the purchaser

1 (either before or after inspection or installation) shall
2 determine the sales location for allocation or sourcing
3 purposes under this Section.

4 Notwithstanding the preceding paragraph, the sales
5 location for the allocation or sourcing of any municipal,
6 county or special district's retailers' occupation tax or the
7 local share of the state's retailers' occupation tax shall be
8 as follows: (1) in the event the acceptance of the order by the
9 retailer occurs outside of the state (whether or not the
10 receipt of the order occurs within the state), then in those
11 situations the sales location shall be deemed outside of the
12 state, and no local sourcing of retailers' occupation tax
13 applies, except when the tangible personal property which is
14 being sold is in the inventory of the retailer at a location
15 within the state at the time of sale (or is subsequently
16 produced by the retailer at a location in this state), then in
17 that event such inventory location shall be deemed the sales
18 location, or (2) in those situations in which the retailer
19 sends to the purchaser a complete and unconditional offer to
20 sell, then the sales location shall be the office location that
21 the retailer or its authorized representative first receives
22 back the purchaser's acceptance of such offer, or (3) for keep
23 full or similar requirements contracts where the retailer
24 agrees to supply tangible personal property to a purchaser on a
25 continuous basis until notified to stop by the purchaser, then
26 for such contracts the sales location shall be the office

1 location that the retailer or its authorized representative
2 receives the initial order under such contract, provided that
3 if such contract is a written contract not requiring a separate
4 initial order to start the continuous supply process, then in
5 such a situation the sales location shall be the office
6 location that the retailer or its authorized representative
7 signed the contract, or (4) for sales accepted in Illinois
8 under a long term blanket or master contract which (though
9 definite as to price and quantity) must be implemented by the
10 purchaser's placing of specific orders when goods are wanted,
11 the office location of the retailer or its authorized
12 representative with which such subsequent specific orders are
13 received (rather than the place where the seller signed the
14 master contract) will determine the sales location with respect
15 to such orders, or (5) for sales to end users by a producer of
16 coal or other minerals mined in this state, the sales location
17 shall be the place where the coal or other minerals mined in
18 this state is extracted from the earth. With respect to
19 minerals (i) the term "extracted from the earth" means the
20 location at which the coal or other mineral is extracted from
21 the mouth of the mine, and (ii) a "mineral" includes not only
22 coal, but also oil, sand, stone taken from a quarry, gravel and
23 any other thing commonly regarded as a mineral and extracted
24 from the earth.

25 The changes made by this amendatory Act of the 97th General
26 Assembly shall be effective upon becoming law, and for past

1 periods not yet closed by any applicable limitations period, a
2 retailer may elect to apply the changes made to this Section by
3 this amendatory Act of the 97th General Assembly in the
4 allocation of its past sales but only to the extent it does not
5 change the retailer's previous filing location for such sales.

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

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

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

25 As used in this Section, "municipal" and "municipality"
26 means a city, village, or incorporated town, including an

1 incorporated town that has superseded a civil township.

2 (Source: P.A. 96-939, eff. 6-24-10.)

3 (65 ILCS 5/8-11-1.7)

4 Sec. 8-11-1.7. Non-home rule municipal service occupation
5 tax; municipalities between 20,000 and 25,000. The corporate
6 authorities of a non-home rule municipality with a population
7 of more than 20,000 but less than 25,000 as determined by the
8 last preceding decennial census that has, prior to January 1,
9 1987, established a Redevelopment Project Area that has been
10 certified as a State Sales Tax Boundary and has issued bonds or
11 otherwise incurred indebtedness to pay for costs in excess of
12 \$5,000,000, which is secured in part by a tax increment
13 allocation fund, in accordance with the provisions of Division
14 11-74.7 of this Code may, by passage of an ordinance, impose a
15 tax upon all persons engaged in the municipality in the
16 business of making sales of service. If imposed, the tax shall
17 only be imposed in .25% increments of the selling price of all
18 tangible personal property transferred by such servicemen
19 either in the form of tangible personal property or in the form
20 of real estate as an incident to a sale of service. This tax
21 may not be imposed on the sales of food for human consumption
22 that is to be consumed off the premises where it is sold (other
23 than alcoholic beverages, soft drinks, and food that has been
24 prepared for immediate consumption) and prescription and
25 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes, and needles used by
2 diabetics. The tax imposed by a municipality under this Sec.
3 and all civil penalties that may be assessed as an incident
4 thereof shall be collected and enforced by the State Department
5 of Revenue. An ordinance imposing a tax hereunder or effecting
6 a change in the rate thereof shall be adopted and a certified
7 copy thereof filed with the Department on or before the first
8 day of October, whereupon the Department shall proceed to
9 administer and enforce this Section as of the first day of
10 January next following such adoption and filing. The
11 certificate of registration that is issued by the Department to
12 a retailer under the Retailers' Occupation Tax Act or under the
13 Service Occupation Tax Act shall permit the registrant to
14 engage in a business that is taxable under any ordinance or
15 resolution enacted under this Section without registering
16 separately with the Department under the ordinance or
17 resolution or under this Section. The Department shall have
18 full power to administer and enforce this Section, to collect
19 all taxes and penalties due hereunder, to dispose of taxes and
20 penalties so collected in a manner hereinafter provided, and to
21 determine all rights to credit memoranda arising on account of
22 the erroneous payment of tax or penalty hereunder. In the
23 administration of and compliance with this Section, the
24 Department and persons who are subject to this Section shall
25 have the same rights, remedies, privileges, immunities,
26 powers, and duties, and be subject to the same conditions,

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

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

21 In allocating or sourcing any municipal, county or special
22 district's retailers' occupation tax or the local share of the
23 state's retailers' occupation tax for sales occurring in this
24 state, other than sales of tangible personal property titled or
25 registered with an agency of this State's government, the
26 Department of Revenue shall deem as the sales location for such

1 allocation or sourcing purposes the office location that the
2 order for the purchase of the tangible personal property is
3 accepted by the retailer or its authorized representative,
4 except as provided in the next paragraph. In determining the
5 acceptance location for a sale, the office the order is first
6 received by the retailer or its authorized representative shall
7 be deemed the acceptance location, unless clearly proven
8 otherwise by the retailer that the final event or activity
9 giving rise to the retailer's acceptance of, or the binding
10 contract for, such sale occurred at a different office
11 location. In applying this paragraph, if the order is received
12 by electronic means, including but not limited to e-mail and
13 facsimile transmission, and the first electronic receipt of the
14 order is not addressed to or otherwise identified with a
15 specific office location of the retailer or its authorized
16 representative, then the order shall be deemed first received
17 at the office location of the retailer or its authorized
18 representative to which the addressee of the electronic order
19 is primarily assigned or stationed, but in the event such
20 addressee has no identifiable office location then the order
21 shall be deemed first received at the office location that
22 first records the receipt of such electronic order. For
23 purposes of this paragraph and the next paragraph, the term
24 "order" means the request (in writing, orally or
25 electronically) by the purchaser to buy tangible personal
26 property. Neither the delivery location nor the location of the

1 acceptance of the tangible personal property by the purchaser
2 (either before or after inspection or installation) shall
3 determine the sales location for allocation or sourcing
4 purposes under this Section.

5 Notwithstanding the preceding paragraph, the sales
6 location for the allocation or sourcing of any municipal,
7 county or special district's retailers' occupation tax or the
8 local share of the state's retailers' occupation tax shall be
9 as follows: (1) in the event the acceptance of the order by the
10 retailer occurs outside of the state (whether or not the
11 receipt of the order occurs within the state), then in those
12 situations the sales location shall be deemed outside of the
13 state, and no local sourcing of retailers' occupation tax
14 applies, except when the tangible personal property which is
15 being sold is in the inventory of the retailer at a location
16 within the state at the time of sale (or is subsequently
17 produced by the retailer at a location in this state), then in
18 that event such inventory location shall be deemed the sales
19 location, or (2) in those situations in which the retailer
20 sends to the purchaser a complete and unconditional offer to
21 sell, then the sales location shall be the office location that
22 the retailer or its authorized representative first receives
23 back the purchaser's acceptance of such offer, or (3) for keep
24 full or similar requirements contracts where the retailer
25 agrees to supply tangible personal property to a purchaser on a
26 continuous basis until notified to stop by the purchaser, then

1 for such contracts the sales location shall be the office
2 location that the retailer or its authorized representative
3 receives the initial order under such contract, provided that
4 if such contract is a written contract not requiring a separate
5 initial order to start the continuous supply process, then in
6 such a situation the sales location shall be the office
7 location that the retailer or its authorized representative
8 signed the contract, or (4) for sales accepted in Illinois
9 under a long term blanket or master contract which (though
10 definite as to price and quantity) must be implemented by the
11 purchaser's placing of specific orders when goods are wanted,
12 the office location of the retailer or its authorized
13 representative with which such subsequent specific orders are
14 received (rather than the place where the seller signed the
15 master contract) will determine the sales location with respect
16 to such orders, or (5) for sales to end users by a producer of
17 coal or other minerals mined in this state, the sales location
18 shall be the place where the coal or other minerals mined in
19 this state is extracted from the earth. With respect to
20 minerals (i) the term "extracted from the earth" means the
21 location at which the coal or other mineral is extracted from
22 the mouth of the mine, and (ii) a "mineral" includes not only
23 coal, but also oil, sand, stone taken from a quarry, gravel and
24 any other thing commonly regarded as a mineral and extracted
25 from the earth.

26 The changes made by this amendatory Act of the 97th General

1 Assembly shall be effective upon becoming law, and for past
2 periods not yet closed by any applicable limitations period, a
3 retailer may elect to apply the changes made to this Section by
4 this amendatory Act of the 97th General Assembly in the
5 allocation of its past sales but only to the extent it does not
6 change the retailer's previous filing location for such sales.

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

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

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

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

26 When certifying the amount of a monthly disbursement to a

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

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

10 (Source: P.A. 96-939, eff. 6-24-10.)

11 Section 20. The Civic Center Code is amended by changing
12 Section 245-12 as follows:

13 (70 ILCS 200/245-12)

14 Sec. 245-12. Use and occupation taxes.

15 (a) The Authority may adopt a resolution that authorizes a
16 referendum on the question of whether the Authority shall be
17 authorized to impose a retailers' occupation tax, a service
18 occupation tax, and a use tax in one-quarter percent increments
19 at a rate not to exceed 1%. The Authority shall certify the
20 question to the proper election authorities who shall submit
21 the question to the voters of the metropolitan area at the next
22 regularly scheduled election in accordance with the general
23 election law. The question shall be in substantially the
24 following form:

1 "Shall the Salem Civic Center Authority be authorized to
2 impose a retailers' occupation tax, a service occupation
3 tax, and a use tax at the rate of (rate) for the sole
4 purpose of obtaining funds for the support, construction,
5 maintenance, or financing of a facility of the Authority?"

6 Votes shall be recorded as "yes" or "no". If a majority of
7 all votes cast on the proposition are in favor of the
8 proposition, the Authority is authorized to impose the tax.

9 (b) The Authority shall impose the retailers' occupation
10 tax upon all persons engaged in the business of selling
11 tangible personal property at retail in the metropolitan area,
12 at the rate approved by referendum, on the gross receipts from
13 the sales made in the course of such business within the
14 metropolitan area. The tax imposed under this Section and all
15 civil penalties that may be assessed as an incident thereof
16 shall be collected and enforced by the Department of Revenue.
17 The Department has full power to administer and enforce this
18 Section; to collect all taxes and penalties so collected in the
19 manner provided in this Section; and to determine all rights to
20 credit memoranda arising on account of the erroneous payment of
21 tax or penalty hereunder. In the administration of, and
22 compliance with, this Section, the Department and persons who
23 are subject to this Section shall (i) have the same rights,
24 remedies, privileges, immunities, powers and duties, (ii) be
25 subject to the same conditions, restrictions, limitations,
26 penalties, exclusions, exemptions, and definitions of terms,

1 and (iii) employ the same modes of procedure as are prescribed
2 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,
3 2-5, 2-5.5, 2-10 (in respect to all provisions therein other
4 than the State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3
5 (except as to the disposition of taxes and penalties collected
6 and provisions related to quarter monthly payments), 4, 5, 5a,
7 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9,
8 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
9 and Section 3-7 of the Uniform Penalty and Interest Act, as
10 fully as if those provisions were set forth in this subsection.

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

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

25 If a tax is imposed under this subsection (b), a tax shall
26 also be imposed at the same rate under subsections (c) and (d)

1 of this Section.

2 In allocating or sourcing any municipal, county or special
3 district's retailers' occupation tax or the local share of the
4 state's retailers' occupation tax for sales occurring in this
5 state, other than sales of tangible personal property titled or
6 registered with an agency of this State's government, the
7 Department of Revenue shall deem as the sales location for such
8 allocation or sourcing purposes the office location that the
9 order for the purchase of the tangible personal property is
10 accepted by the retailer or its authorized representative,
11 except as provided in the next paragraph. In determining the
12 acceptance location for a sale, the office the order is first
13 received by the retailer or its authorized representative shall
14 be deemed the acceptance location, unless clearly proven
15 otherwise by the retailer that the final event or activity
16 giving rise to the retailer's acceptance of, or the binding
17 contract for, such sale occurred at a different office
18 location. In applying this paragraph, if the order is received
19 by electronic means, including but not limited to e-mail and
20 facsimile transmission, and the first electronic receipt of the
21 order is not addressed to or otherwise identified with a
22 specific office location of the retailer or its authorized
23 representative, then the order shall be deemed first received
24 at the office location of the retailer or its authorized
25 representative to which the addressee of the electronic order
26 is primarily assigned or stationed, but in the event such

1 addressee has no identifiable office location then the order
2 shall be deemed first received at the office location that
3 first records the receipt of such electronic order. For
4 purposes of this paragraph and the next paragraph, the term
5 "order" means the request (in writing, orally or
6 electronically) by the purchaser to buy tangible personal
7 property. Neither the delivery location nor the location of the
8 acceptance of the tangible personal property by the purchaser
9 (either before or after inspection or installation) shall
10 determine the sales location for allocation or sourcing
11 purposes under this Section.

12 Notwithstanding the preceding paragraph, the sales
13 location for the allocation or sourcing of any municipal,
14 county or special district's retailers' occupation tax or the
15 local share of the state's retailers' occupation tax shall be
16 as follows: (1) in the event the acceptance of the order by the
17 retailer occurs outside of the state (whether or not the
18 receipt of the order occurs within the state), then in those
19 situations the sales location shall be deemed outside of the
20 state, and no local sourcing of retailers' occupation tax
21 applies, except when the tangible personal property which is
22 being sold is in the inventory of the retailer at a location
23 within the state at the time of sale (or is subsequently
24 produced by the retailer at a location in this state), then in
25 that event such inventory location shall be deemed the sales
26 location, or (2) in those situations in which the retailer

1 sends to the purchaser a complete and unconditional offer to
2 sell, then the sales location shall be the office location that
3 the retailer or its authorized representative first receives
4 back the purchaser's acceptance of such offer, or (3) for keep
5 full or similar requirements contracts where the retailer
6 agrees to supply tangible personal property to a purchaser on a
7 continuous basis until notified to stop by the purchaser, then
8 for such contracts the sales location shall be the office
9 location that the retailer or its authorized representative
10 receives the initial order under such contract, provided that
11 if such contract is a written contract not requiring a separate
12 initial order to start the continuous supply process, then in
13 such a situation the sales location shall be the office
14 location that the retailer or its authorized representative
15 signed the contract, or (4) for sales accepted in Illinois
16 under a long term blanket or master contract which (though
17 definite as to price and quantity) must be implemented by the
18 purchaser's placing of specific orders when goods are wanted,
19 the office location of the retailer or its authorized
20 representative with which such subsequent specific orders are
21 received (rather than the place where the seller signed the
22 master contract) will determine the sales location with respect
23 to such orders, or (5) for sales to end users by a producer of
24 coal or other minerals mined in this state, the sales location
25 shall be the place where the coal or other minerals mined in
26 this state is extracted from the earth. With respect to

1 minerals (i) the term "extracted from the earth" means the
2 location at which the coal or other mineral is extracted from
3 the mouth of the mine, and (ii) a "mineral" includes not only
4 coal, but also oil, sand, stone taken from a quarry, gravel and
5 any other thing commonly regarded as a mineral and extracted
6 from the earth.

7 The changes made by this amendatory Act of the 97th General
8 Assembly shall be effective upon becoming law, and for past
9 periods not yet closed by any applicable limitations period, a
10 retailer may elect to apply the changes made to this Section by
11 this amendatory Act of the 97th General Assembly in the
12 allocation of its past sales but only to the extent it does not
13 change the retailer's previous filing location for such sales.

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

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

1 (c) If a tax has been imposed under subsection (b), a
2 service occupation tax shall also be imposed at the same rate
3 upon all persons engaged, in the metropolitan area, in the
4 business of making sales of service, who, as an incident to
5 making those sales of service, transfer tangible personal
6 property within the metropolitan area as an incident to a sale
7 of service. The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department of Revenue. The
10 Department has full power to administer and enforce this
11 paragraph; to collect all taxes and penalties due hereunder; to
12 dispose of taxes and penalties so collected in the manner
13 hereinafter provided; and to determine all rights to credit
14 memoranda arising on account of the erroneous payment of tax or
15 penalty hereunder. In the administration of, and compliance
16 with this paragraph, the Department and persons who are subject
17 to this paragraph shall (i) have the same rights, remedies,
18 privileges, immunities, powers, and duties, (ii) be subject to
19 the same conditions, restrictions, limitations, penalties,
20 exclusions, exemptions, and definitions of terms, and (iii)
21 employ the same modes of procedure as are prescribed in
22 Sections 2 (except that the reference to State in the
23 definition of supplier maintaining a place of business in this
24 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55
25 (in respect to all provisions therein other than the State rate
26 of tax), 4 (except that the reference to the State shall be to

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

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

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

1 this Section.

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

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

1 The Department has full power to administer and enforce
2 this paragraph; to collect all taxes, penalties and interest
3 due hereunder; to dispose of taxes, penalties and interest so
4 collected in the manner hereinafter provided; and to determine
5 all rights to credit memoranda or refunds arising on account of
6 the erroneous payment of tax, penalty or interest hereunder. In
7 the administration of, and compliance with, this subsection,
8 the Department and persons who are subject to this paragraph
9 shall (i) have the same rights, remedies, privileges,
10 immunities, powers, and duties, (ii) be subject to the same
11 conditions, restrictions, limitations, penalties, exclusions,
12 exemptions, and definitions of terms, and (iii) employ the same
13 modes of procedure as are prescribed in Sections 2 (except the
14 definition of "retailer maintaining a place of business in this
15 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
16 7, 8 (except that the jurisdiction to which the tax shall be a
17 debt to the extent indicated in that Section 8 shall be the
18 Authority), 9 (except provisions relating to quarter monthly
19 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
20 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
21 Interest Act, that are not inconsistent with this paragraph, as
22 fully as if those provisions were set forth herein.

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

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

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

14 (f) The results of any election authorizing a proposition
15 to impose a tax under this Section or effecting a change in the
16 rate of tax shall be certified by the proper election
17 authorities and filed with the Illinois Department on or before
18 the first day of April. In addition, an ordinance imposing,
19 discontinuing, or effecting a change in the rate of tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before the first day of April.
22 After proper receipt of such certifications, the Department
23 shall proceed to administer and enforce this Section as of the
24 first day of July next following such adoption and filing.

25 (g) The Department of Revenue shall, upon collecting any
26 taxes and penalties as provided in this Section, pay the taxes

1 and penalties over to the State Treasurer as trustee for the
2 Authority. The taxes and penalties shall be held in a trust
3 fund outside the State Treasury. On or before the 25th day of
4 each calendar month, the Department of Revenue shall prepare
5 and certify to the Comptroller of the State of Illinois the
6 amount to be paid to the Authority, which shall be the balance
7 in the fund, less any amount determined by the Department to be
8 necessary for the payment of refunds. Within 10 days after
9 receipt by the Comptroller of the certification of the amount
10 to be paid to the Authority, the Comptroller shall cause an
11 order to be drawn for payment for the amount in accordance with
12 the directions contained in the certification. Amounts
13 received from the tax imposed under this Section shall be used
14 only for the support, construction, maintenance, or financing
15 of a facility of the Authority.

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

22 (i) This Section may be cited as the Salem Civic Center Use
23 and Occupation Tax Law.

24 (Source: P.A. 90-328, eff. 1-1-98.)

25 Section 25. The Metropolitan Pier and Exposition Authority

1 Act is amended by changing Section 13 as follows:

2 (70 ILCS 210/13) (from Ch. 85, par. 1233)

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

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

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

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

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

1 The retailer filing the return shall, at the time of filing the
2 return, pay to the Department the amount of tax imposed under
3 this subsection, less a discount of 1.75%, which is allowed to
4 reimburse the retailer for the expenses incurred in keeping
5 records, preparing and filing returns, remitting the tax, and
6 supplying data to the Department on request.

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

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 local sales tax increment, as defined in the Innovation
3 Development and Economy Act, collected under this subsection
4 during the second preceding calendar month for sales within a
5 STAR bond district.

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

24 A certificate of registration issued by the Illinois
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act shall permit the registrant to engage in a

1 business that is taxed under the tax imposed under this
2 subsection, and no additional registration shall be required
3 under the ordinance imposing the tax or under this subsection.

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

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

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

1 (2) that portion of the City of Chicago located within
2 the following area: Beginning at the intersection of West
3 55th Street with Central Avenue, then east along West 55th
4 Street to its intersection with South Cicero Avenue, then
5 south along South Cicero Avenue to its intersection with
6 West 63rd Street, then west along West 63rd Street to its
7 intersection with South Central Avenue, then north along
8 South Central Avenue to the point of beginning; and

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

24 The tax authorized to be levied under this subsection may
25 also be levied on food, alcoholic beverages, and soft drinks
26 sold on boats and other watercraft departing from and returning

1 to the shoreline of Lake Michigan (including Navy Pier and all
2 other improvements fixed to land, docks, or piers) described in
3 item (3).

4 In allocating or sourcing any municipal, county or special
5 district's retailers' occupation tax or the local share of the
6 state's retailers' occupation tax for sales occurring in this
7 state, other than sales of tangible personal property titled or
8 registered with an agency of this State's government, the
9 Department of Revenue shall deem as the sales location for such
10 allocation or sourcing purposes the office location that the
11 order for the purchase of the tangible personal property is
12 accepted by the retailer or its authorized representative,
13 except as provided in the next paragraph. In determining the
14 acceptance location for a sale, the office the order is first
15 received by the retailer or its authorized representative shall
16 be deemed the acceptance location, unless clearly proven
17 otherwise by the retailer that the final event or activity
18 giving rise to the retailer's acceptance of, or the binding
19 contract for, such sale occurred at a different office
20 location. In applying this paragraph, if the order is received
21 by electronic means, including but not limited to e-mail and
22 facsimile transmission, and the first electronic receipt of the
23 order is not addressed to or otherwise identified with a
24 specific office location of the retailer or its authorized
25 representative, then the order shall be deemed first received
26 at the office location of the retailer or its authorized

1 representative to which the addressee of the electronic order
2 is primarily assigned or stationed, but in the event such
3 addressee has no identifiable office location then the order
4 shall be deemed first received at the office location that
5 first records the receipt of such electronic order. For
6 purposes of this paragraph and the next paragraph, the term
7 "order" means the request (in writing, orally or
8 electronically) by the purchaser to buy tangible personal
9 property. Neither the delivery location nor the location of the
10 acceptance of the tangible personal property by the purchaser
11 (either before or after inspection or installation) shall
12 determine the sales location for allocation or sourcing
13 purposes under this Section.

14 Notwithstanding the preceding paragraph, the sales
15 location for the allocation or sourcing of any municipal,
16 county or special district's retailers' occupation tax or the
17 local share of the state's retailers' occupation tax shall be
18 as follows: (1) in the event the acceptance of the order by the
19 retailer occurs outside of the state (whether or not the
20 receipt of the order occurs within the state), then in those
21 situations the sales location shall be deemed outside of the
22 state, and no local sourcing of retailers' occupation tax
23 applies, except when the tangible personal property which is
24 being sold is in the inventory of the retailer at a location
25 within the state at the time of sale (or is subsequently
26 produced by the retailer at a location in this state), then in

1 that event such inventory location shall be deemed the sales
2 location, or (2) in those situations in which the retailer
3 sends to the purchaser a complete and unconditional offer to
4 sell, then the sales location shall be the office location that
5 the retailer or its authorized representative first receives
6 back the purchaser's acceptance of such offer, or (3) for keep
7 full or similar requirements contracts where the retailer
8 agrees to supply tangible personal property to a purchaser on a
9 continuous basis until notified to stop by the purchaser, then
10 for such contracts the sales location shall be the office
11 location that the retailer or its authorized representative
12 receives the initial order under such contract, provided that
13 if such contract is a written contract not requiring a separate
14 initial order to start the continuous supply process, then in
15 such a situation the sales location shall be the office
16 location that the retailer or its authorized representative
17 signed the contract, or (4) for sales accepted in Illinois
18 under a long term blanket or master contract which (though
19 definite as to price and quantity) must be implemented by the
20 purchaser's placing of specific orders when goods are wanted,
21 the office location of the retailer or its authorized
22 representative with which such subsequent specific orders are
23 received (rather than the place where the seller signed the
24 master contract) will determine the sales location with respect
25 to such orders, or (5) for sales to end users by a producer of
26 coal or other minerals mined in this state, the sales location

1 shall be the place where the coal or other minerals mined in
2 this state is extracted from the earth. With respect to
3 minerals (i) the term "extracted from the earth" means the
4 location at which the coal or other mineral is extracted from
5 the mouth of the mine, and (ii) a "mineral" includes not only
6 coal, but also oil, sand, stone taken from a quarry, gravel and
7 any other thing commonly regarded as a mineral and extracted
8 from the earth.

9 The changes made by this amendatory Act of the 97th General
10 Assembly shall be effective upon becoming law, and for past
11 periods not yet closed by any applicable limitations period, a
12 retailer may elect to apply the changes made to this Section by
13 this amendatory Act of the 97th General Assembly in the
14 allocation of its past sales but only to the extent it does not
15 change the retailer's previous filing location for such sales.

16 (c) By ordinance the Authority shall, as soon as
17 practicable after the effective date of this amendatory Act of
18 1991, impose an occupation tax upon all persons engaged in the
19 corporate limits of the City of Chicago in the business of
20 renting, leasing, or letting rooms in a hotel, as defined in
21 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of
22 the gross rental receipts from the renting, leasing, or letting
23 of hotel rooms within the City of Chicago, excluding, however,
24 from gross rental receipts the proceeds of renting, leasing, or
25 letting to permanent residents of a hotel, as defined in that
26 Act. Gross rental receipts shall not include charges that are

1 added on account of the liability arising from any tax imposed
2 by the State or any governmental agency on the occupation of
3 renting, leasing, or letting rooms in a hotel.

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

1 as if the provisions contained in the Hotel Operators'
2 Occupation Tax Act were set out in this subsection.

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

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

21 The person filing the return shall, at the time of filing
22 the return, pay to the Department the amount of tax, less a
23 discount of 2.1% or \$25 per calendar year, whichever is
24 greater, which is allowed to reimburse the operator for the
25 expenses incurred in keeping records, preparing and filing
26 returns, remitting the tax, and supplying data to the

1 Department on request.

2 The Department shall forthwith pay over to the State
3 Treasurer, ex officio, as trustee for the Authority, all taxes
4 and penalties collected under this subsection for deposit into
5 a trust fund held outside the State Treasury. On or before the
6 25th day of each calendar month, the Department shall certify
7 to the Comptroller the amounts to be paid under subsection (g)
8 of this Section, which shall be the amounts (not including
9 credit memoranda) collected under this subsection during the
10 second preceding calendar month by the Department, less any
11 amounts determined by the Department to be necessary for
12 payment of refunds. Within 10 days after receipt by the
13 Comptroller of the Department's certification, the Comptroller
14 shall cause the orders to be drawn for such amounts, and the
15 Treasurer shall administer those amounts as required in
16 subsection (g).

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

24 (d) By ordinance the Authority shall, as soon as
25 practicable after the effective date of this amendatory Act of
26 1991, impose a tax upon all persons engaged in the business of

1 renting automobiles in the metropolitan area at the rate of 6%
2 of the gross receipts from that business, except that no tax
3 shall be imposed on the business of renting automobiles for use
4 as taxicabs or in livery service. The tax imposed under this
5 subsection and all civil penalties that may be assessed as an
6 incident to that tax shall be collected and enforced by the
7 Illinois Department of Revenue. The certificate of
8 registration issued by the Department to a retailer under the
9 Retailers' Occupation Tax Act or under the Automobile Renting
10 Occupation and Use Tax Act shall permit that person to engage
11 in a business that is taxable under any ordinance enacted under
12 this subsection without registering separately with the
13 Department under that ordinance or under this subsection. The
14 Department shall have full power to administer and enforce this
15 subsection, to collect all taxes and penalties due under this
16 subsection, to dispose of taxes and penalties so collected in
17 the manner provided in this subsection, and to determine all
18 rights to credit memoranda arising on account of the erroneous
19 payment of tax or penalty under this subsection. In the
20 administration of and compliance with this subsection, the
21 Department and persons who are subject to this subsection shall
22 have the same rights, remedies, privileges, immunities,
23 powers, and duties, be subject to the same conditions,
24 restrictions, limitations, penalties, and definitions of
25 terms, and employ the same modes of procedure as are prescribed
26 in Sections 2 and 3 (in respect to all provisions of those

1 Sections other than the State rate of tax; and in respect to
2 the provisions of the Retailers' Occupation Tax Act referred to
3 in those Sections, except as to the disposition of taxes and
4 penalties collected, except for the provision allowing
5 retailers a deduction from the tax to cover certain costs, and
6 except that credit memoranda issued under this subsection may
7 not be used to discharge any State tax liability) of the
8 Automobile Renting Occupation and Use Tax Act, as fully as if
9 provisions contained in those Sections of that Act were set
10 forth in this subsection.

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

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

1 Authority.

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

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

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

1 (e) By ordinance the Authority shall, as soon as
2 practicable after the effective date of this amendatory Act of
3 1991, impose a tax upon the privilege of using in the
4 metropolitan area an automobile that is rented from a rentor
5 outside Illinois and is titled or registered with an agency of
6 this State's government at a rate of 6% of the rental price of
7 that automobile, except that no tax shall be imposed on the
8 privilege of using automobiles rented for use as taxicabs or in
9 livery service. The tax shall be collected from persons whose
10 Illinois address for titling or registration purposes is given
11 as being in the metropolitan area. The tax shall be collected
12 by the Department of Revenue for the Authority. The tax must be
13 paid to the State or an exemption determination must be
14 obtained from the Department of Revenue before the title or
15 certificate of registration for the property may be issued. The
16 tax or proof of exemption may be transmitted to the Department
17 by way of the State agency with which or State officer with
18 whom the tangible personal property must be titled or
19 registered if the Department and that agency or State officer
20 determine that this procedure will expedite the processing of
21 applications for title or registration.

22 The Department shall have full power to administer and
23 enforce this subsection, to collect all taxes, penalties, and
24 interest due under this subsection, to dispose of taxes,
25 penalties, and interest so collected in the manner provided in
26 this subsection, and to determine all rights to credit

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

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

1 trust fund held by the State Treasurer as trustee for the
2 Authority.

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

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

24 (f) By ordinance the Authority shall, as soon as
25 practicable after the effective date of this amendatory Act of
26 1991, impose an occupation tax on all persons, other than a

1 governmental agency, engaged in the business of providing
2 ground transportation for hire to passengers in the
3 metropolitan area at a rate of (i) \$4 per taxi or livery
4 vehicle departure with passengers for hire from commercial
5 service airports in the metropolitan area, (ii) for each
6 departure with passengers for hire from a commercial service
7 airport in the metropolitan area in a bus or van operated by a
8 person other than a person described in item (iii): \$18 per bus
9 or van with a capacity of 1-12 passengers, \$36 per bus or van
10 with a capacity of 13-24 passengers, and \$54 per bus or van
11 with a capacity of over 24 passengers, and (iii) for each
12 departure with passengers for hire from a commercial service
13 airport in the metropolitan area in a bus or van operated by a
14 person regulated by the Interstate Commerce Commission or
15 Illinois Commerce Commission, operating scheduled service from
16 the airport, and charging fares on a per passenger basis: \$2
17 per passenger for hire in each bus or van. The term "commercial
18 service airports" means those airports receiving scheduled
19 passenger service and enplaning more than 100,000 passengers
20 per year.

21 In the ordinance imposing the tax, the Authority may
22 provide for the administration and enforcement of the tax and
23 the collection of the tax from persons subject to the tax as
24 the Authority determines to be necessary or practicable for the
25 effective administration of the tax. The Authority may enter
26 into agreements as it deems appropriate with any governmental

1 agency providing for that agency to act as the Authority's
2 agent to collect the tax.

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

12 All taxes, penalties, and interest collected under any
13 ordinance adopted under this subsection, less any amounts
14 determined to be necessary for the payment of refunds and less
15 the taxes, penalties, and interest attributable to any increase
16 in the rate of tax authorized by Public Act 96-898 ~~this~~
17 ~~amendatory Act of the 96th General Assembly~~, shall be paid
18 forthwith to the State Treasurer, ex officio, for deposit into
19 a trust fund held outside the State Treasury and shall be
20 administered by the State Treasurer as provided in subsection
21 (g) of this Section. All taxes, penalties, and interest
22 attributable to any increase in the rate of tax authorized by
23 Public Act 96-898 ~~this amendatory Act of the 96th General~~
24 ~~Assembly~~ shall be paid by the State Treasurer as follows: 25%
25 for deposit into the Convention Center Support Fund, to be used
26 by the Village of Rosemont for the repair, maintenance, and

1 improvement of the Donald E. Stephens Convention Center and for
2 debt service on debt instruments issued for those purposes by
3 the village and 75% to the Authority to be used for grants to
4 an organization meeting the qualifications set out in Section
5 5.6 of this Act, provided the Metropolitan Pier and Exposition
6 Authority has entered into a marketing agreement with such an
7 organization.

8 (g) Amounts deposited from the proceeds of taxes imposed by
9 the Authority under subsections (b), (c), (d), (e), and (f) of
10 this Section and amounts deposited under Section 19 of the
11 Illinois Sports Facilities Authority Act shall be held in a
12 trust fund outside the State Treasury and shall be administered
13 by the Treasurer as follows:

14 (1) An amount necessary for the payment of refunds with
15 respect to those taxes shall be retained in the trust fund
16 and used for those payments.

17 (2) On July 20 and on the 20th of each month
18 thereafter, provided that the amount requested in the
19 annual certificate of the Chairman of the Authority filed
20 under Section 8.25f of the State Finance Act has been
21 appropriated for payment to the Authority, 1/8 of the local
22 tax transfer amount, together with any cumulative
23 deficiencies in the amounts transferred into the McCormick
24 Place Expansion Project Fund under this subparagraph (2)
25 during the fiscal year for which the certificate has been
26 filed, shall be transferred from the trust fund into the

1 McCormick Place Expansion Project Fund in the State
2 treasury until 100% of the local tax transfer amount has
3 been so transferred. "Local tax transfer amount" shall mean
4 the amount requested in the annual certificate, minus the
5 reduction amount. "Reduction amount" shall mean \$41.7
6 million in fiscal year 2011, \$36.7 million in fiscal year
7 2012, \$36.7 million in fiscal year 2013, \$36.7 million in
8 fiscal year 2014, and \$31.7 million in each fiscal year
9 thereafter until 2032, provided that the reduction amount
10 shall be reduced by (i) the amount certified by the
11 Authority to the State Comptroller and State Treasurer
12 under Section 8.25 of the State Finance Act, as amended,
13 with respect to that fiscal year and (ii) in any fiscal
14 year in which the amounts deposited in the trust fund under
15 this Section exceed \$318.3 million, exclusive of amounts
16 set aside for refunds and for the reserve account, one
17 dollar for each dollar of the deposits in the trust fund
18 above \$318.3 million with respect to that year, exclusive
19 of amounts set aside for refunds and for the reserve
20 account.

21 (3) On July 20, 2010, the Comptroller shall certify to
22 the Governor, the Treasurer, and the Chairman of the
23 Authority the 2010 deficiency amount, which means the
24 cumulative amount of transfers that were due from the trust
25 fund to the McCormick Place Expansion Project Fund in
26 fiscal years 2008, 2009, and 2010 under Section 13(g) of

1 this Act, as it existed prior to May 27, 2010 (the
2 effective date of Public Act 96-898) ~~this amendatory Act of~~
3 ~~the 96th General Assembly~~, but not made. On July 20, 2011
4 and on July 20 of each year through July 20, 2014, the
5 Treasurer shall calculate for the previous fiscal year the
6 surplus revenues in the trust fund and pay that amount to
7 the Authority. On July 20, 2015 and on July 20 of each year
8 thereafter, as long as bonds and notes issued under Section
9 13.2 or bonds and notes issued to refund those bonds and
10 notes are outstanding, the Treasurer shall calculate for
11 the previous fiscal year the surplus revenues in the trust
12 fund and pay one-half of that amount to the State Treasurer
13 for deposit into the General Revenue Fund until the 2010
14 deficiency amount has been paid and shall pay the balance
15 of the surplus revenues to the Authority. "Surplus
16 revenues" means the amounts remaining in the trust fund on
17 June 30 of the previous fiscal year (A) after the State
18 Treasurer has set aside in the trust fund (i) amounts
19 retained for refunds under subparagraph (1) and (ii) any
20 amounts necessary to meet the reserve account amount and
21 (B) after the State Treasurer has transferred from the
22 trust fund to the General Revenue Fund 100% of any
23 post-2010 deficiency amount. "Reserve account amount"
24 means \$15 million in fiscal year 2011 and \$30 million in
25 each fiscal year thereafter. The reserve account amount
26 shall be set aside in the trust fund and used as a reserve

1 to be transferred to the McCormick Place Expansion Project
2 Fund in the event the proceeds of taxes imposed under this
3 Section 13 are not sufficient to fund the transfer required
4 in subparagraph (2). "Post-2010 deficiency amount" means
5 any deficiency in transfers from the trust fund to the
6 McCormick Place Expansion Project Fund with respect to
7 fiscal years 2011 and thereafter. It is the intention of
8 this subparagraph (3) that no surplus revenues shall be
9 paid to the Authority with respect to any year in which a
10 post-2010 deficiency amount has not been satisfied by the
11 Authority.

12 Moneys received by the Authority as surplus revenues may be
13 used (i) for the purposes of paying debt service on the bonds
14 and notes issued by the Authority, including early redemption
15 of those bonds or notes, (ii) for the purposes of repair,
16 replacement, and improvement of the grounds, buildings, and
17 facilities of the Authority, and (iii) for the corporate
18 purposes of the Authority in fiscal years 2011 through 2015 in
19 an amount not to exceed \$20,000,000 annually or \$80,000,000
20 total, which amount shall be reduced \$0.75 for each dollar of
21 the receipts of the Authority in that year from any contract
22 entered into with respect to naming rights at McCormick Place
23 under Section 5(m) of this Act. When bonds and notes issued
24 under Section 13.2, or bonds or notes issued to refund those
25 bonds and notes, are no longer outstanding, the balance in the
26 trust fund shall be paid to the Authority.

1 (h) The ordinances imposing the taxes authorized by this
2 Section shall be repealed when bonds and notes issued under
3 Section 13.2 or bonds and notes issued to refund those bonds
4 and notes are no longer outstanding.

5 (Source: P.A. 96-898, eff. 5-27-10; 96-939, eff. 6-24-10;
6 revised 9-16-10.)

7 Section 30. The Flood Prevention District Act is amended by
8 changing Section 25 as follows:

9 (70 ILCS 750/25)

10 Sec. 25. Flood prevention retailers' and service
11 occupation taxes.

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

1 required to repay the bonds, notes, and other evidences of
2 indebtedness issued under this Act. The tax rate shall be 0.25%
3 of the gross receipts from all taxable sales made in the course
4 of that business. The tax imposed under this Section and all
5 civil penalties that may be assessed as an incident thereof
6 shall be collected and enforced by the State Department of
7 Revenue. The Department shall have full power to administer and
8 enforce this Section; to collect all taxes and penalties so
9 collected in the manner hereinafter provided; and to determine
10 all rights to credit memoranda arising on account of the
11 erroneous payment of tax or penalty hereunder.

12 In the administration of and compliance with this
13 subsection, the Department and persons who are subject to this
14 subsection (i) have the same rights, remedies, privileges,
15 immunities, powers, and duties, (ii) are subject to the same
16 conditions, restrictions, limitations, penalties, and
17 definitions of terms, and (iii) shall employ the same modes of
18 procedure as are set forth in Sections 1 through 10, 2 through
19 2-70 (in respect to all provisions contained in those Sections
20 other than the State rate of tax), 2a through 2h, 3 (except as
21 to the disposition of taxes and penalties collected), 4, 5, 5a,
22 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
23 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and
24 all provisions of the Uniform Penalty and Interest Act as if
25 those provisions were set forth in this subsection.

26 Persons subject to any tax imposed under this Section may

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

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

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

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

1 subsection; to collect all taxes and penalties due hereunder;
2 to dispose of taxes and penalties collected in the manner
3 hereinafter provided; and to determine all rights to credit
4 memoranda arising on account of the erroneous payment of tax or
5 penalty hereunder.

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

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

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

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

22 (e) The certificate of registration that is issued by the
23 Department to a retailer under the Retailers' Occupation Tax
24 Act or a serviceman under the Service Occupation Tax Act
25 permits the retailer or serviceman to engage in a business that
26 is taxable without registering separately with the Department

1 under an ordinance or resolution under this Section.

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

7 As soon as possible after the first day of each month,
8 beginning January 1, 2011, upon certification of the Department
9 of Revenue, the Comptroller shall order transferred, and the
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
11 local sales tax increment, as defined in the Innovation
12 Development and Economy Act, collected under this Section
13 during the second preceding calendar month for sales within a
14 STAR bond district. The Department shall make this
15 certification only if the flood prevention district imposes a
16 tax on real property as provided in the definition of "local
17 sales taxes" under the Innovation Development and Economy Act.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to the counties from which
22 retailers or servicemen have paid taxes or penalties to the
23 Department during the second preceding calendar month. The
24 amount to be paid to each county is equal to the amount (not
25 including credit memoranda) collected from the county under
26 this Section during the second preceding calendar month by the

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

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

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

1 who shall cause the order to be drawn for the amount specified
2 and to the person named in the notification from the
3 Department. The refund shall be paid by the Treasurer out of
4 the Flood Prevention Occupation Tax Fund.

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

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

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

1 notes, and other evidences of indebtedness issued under this
2 Act.

3 (j-5) In allocating or sourcing any municipal, county or
4 special district's retailers' occupation tax or the local share
5 of the state's retailers' occupation tax for sales occurring in
6 this state, other than sales of tangible personal property
7 titled or registered with an agency of this State's government,
8 the Department of Revenue shall deem as the sales location for
9 such allocation or sourcing purposes the office location that
10 the order for the purchase of the tangible personal property is
11 accepted by the retailer or its authorized representative,
12 except as provided in the next paragraph. In determining the
13 acceptance location for a sale, the office the order is first
14 received by the retailer or its authorized representative shall
15 be deemed the acceptance location, unless clearly proven
16 otherwise by the retailer that the final event or activity
17 giving rise to the retailer's acceptance of, or the binding
18 contract for, such sale occurred at a different office
19 location. In applying this Subsection (j-5), if the order is
20 received by electronic means, including but not limited to
21 e-mail and facsimile transmission, and the first electronic
22 receipt of the order is not addressed to or otherwise
23 identified with a specific office location of the retailer or
24 its authorized representative, then the order shall be deemed
25 first received at the office location of the retailer or its
26 authorized representative to which the addressee of the

1 electronic order is primarily assigned or stationed, but in the
2 event such addressee has no identifiable office location then
3 the order shall be deemed first received at the office location
4 that first records the receipt of such electronic order. For
5 purposes of this Subsection (j-5), the term "order" means the
6 request (in writing, orally or electronically) by the purchaser
7 to buy tangible personal property. Neither the delivery
8 location nor the location of the acceptance of the tangible
9 personal property by the purchaser (either before or after
10 inspection or installation) shall determine the sales location
11 for allocation or sourcing purposes under this Section.

12 Notwithstanding the preceding paragraph, the sales
13 location for the allocation or sourcing of any municipal,
14 county or special district's retailers' occupation tax or the
15 local share of the state's retailers' occupation tax shall be
16 as follows: (1) in the event the acceptance of the order by the
17 retailer occurs outside of the state (whether or not the
18 receipt of the order occurs within the state), then in those
19 situations the sales location shall be deemed outside of the
20 state, and no local sourcing of retailers' occupation tax
21 applies, except when the tangible personal property which is
22 being sold is in the inventory of the retailer at a location
23 within the state at the time of sale (or is subsequently
24 produced by the retailer at a location in this state), then in
25 that event such inventory location shall be deemed the sales
26 location, or (2) in those situations in which the retailer

1 sends to the purchaser a complete and unconditional offer to
2 sell, then the sales location shall be the office location that
3 the retailer or its authorized representative first receives
4 back the purchaser's acceptance of such offer, or (3) for keep
5 full or similar requirements contracts where the retailer
6 agrees to supply tangible personal property to a purchaser on a
7 continuous basis until notified to stop by the purchaser, then
8 for such contracts the sales location shall be the office
9 location that the retailer or its authorized representative
10 receives the initial order under such contract, provided that
11 if such contract is a written contract not requiring a separate
12 initial order to start the continuous supply process, then in
13 such a situation the sales location shall be the office
14 location that the retailer or its authorized representative
15 signed the contract, or (4) for sales accepted in Illinois
16 under a long term blanket or master contract which (though
17 definite as to price and quantity) must be implemented by the
18 purchaser's placing of specific orders when goods are wanted,
19 the office location of the retailer or its authorized
20 representative with which such subsequent specific orders are
21 received (rather than the place where the seller signed the
22 master contract) will determine the sales location with respect
23 to such orders, or (5) for sales to end users by a producer of
24 coal or other minerals mined in this state, the sales location
25 shall be the place where the coal or other minerals mined in
26 this state is extracted from the earth. With respect to

1 minerals (i) the term "extracted from the earth" means the
2 location at which the coal or other mineral is extracted from
3 the mouth of the mine, and (ii) a "mineral" includes not only
4 coal, but also oil, sand, stone taken from a quarry, gravel and
5 any other thing commonly regarded as a mineral and extracted
6 from the earth.

7 The changes made by this amendatory Act of the 97th General
8 Assembly shall be effective upon becoming law, and for past
9 periods not yet closed by any applicable limitations period, a
10 retailer may elect to apply this subsection in the allocation
11 of its past sales but only to the extent it does not change the
12 retailer's previous filing location for such sales.

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

15 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08;
16 96-939, eff. 6-24-10.)

17 Section 35. The Metro-East Park and Recreation District Act
18 is amended by changing Section 30 as follows:

19 (70 ILCS 1605/30)

20 Sec. 30. Taxes.

21 (a) The board shall impose a tax upon all persons engaged
22 in the business of selling tangible personal property, other
23 than personal property titled or registered with an agency of
24 this State's government, at retail in the District on the gross

1 receipts from the sales made in the course of business. This
2 tax shall be imposed only at the rate of one-tenth of one per
3 cent.

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

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

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

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing a
22 credit memorandum, the Department shall notify the State
23 Comptroller, who shall cause the order to be drawn for the
24 amount specified and to the person named in the notification
25 from the Department. The refund shall be paid by the State
26 Treasurer out of the State Metro-East Park and Recreation

1 District Fund.

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

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

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

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

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

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

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

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district. The Department shall make this
24 certification only if the Metro East Park and Recreation
25 District imposes a tax on real property as provided in the
26 definition of "local sales taxes" under the Innovation

1 Development and Economy Act.

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

25 (c-5) In allocating or sourcing any municipal, county or
26 special district's retailers' occupation tax or the local share

1 of the state's retailers' occupation tax for sales occurring in
2 this state, other than sales of tangible personal property
3 titled or registered with an agency of this State's government,
4 the Department of Revenue shall deem as the sales location for
5 such allocation or sourcing purposes the office location that
6 the order for the purchase of the tangible personal property is
7 accepted by the retailer or its authorized representative,
8 except as provided in the next paragraph. In determining the
9 acceptance location for a sale, the office the order is first
10 received by the retailer or its authorized representative shall
11 be deemed the acceptance location, unless clearly proven
12 otherwise by the retailer that the final event or activity
13 giving rise to the retailer's acceptance of, or the binding
14 contract for, such sale occurred at a different office
15 location. In applying this Subsection (c-5), if the order is
16 received by electronic means, including but not limited to
17 e-mail and facsimile transmission, and the first electronic
18 receipt of the order is not addressed to or otherwise
19 identified with a specific office location of the retailer or
20 its authorized representative, then the order shall be deemed
21 first received at the office location of the retailer or its
22 authorized representative to which the addressee of the
23 electronic order is primarily assigned or stationed, but in the
24 event such addressee has no identifiable office location then
25 the order shall be deemed first received at the office location
26 that first records the receipt of such electronic order. For

1 purposes of this Subsection (c-5), the term "order" means the
2 request (in writing, orally or electronically) by the purchaser
3 to buy tangible personal property. Neither the delivery
4 location nor the location of the acceptance of the tangible
5 personal property by the purchaser (either before or after
6 inspection or installation) shall determine the sales location
7 for allocation or sourcing purposes under this Section.

8 Notwithstanding the preceding paragraph, the sales
9 location for the allocation or sourcing of any municipal,
10 county or special district's retailers' occupation tax or the
11 local share of the state's retailers' occupation tax shall be
12 as follows: (1) in the event the acceptance of the order by the
13 retailer occurs outside of the state (whether or not the
14 receipt of the order occurs within the state), then in those
15 situations the sales location shall be deemed outside of the
16 state, and no local sourcing of retailers' occupation tax
17 applies, except when the tangible personal property which is
18 being sold is in the inventory of the retailer at a location
19 within the state at the time of sale (or is subsequently
20 produced by the retailer at a location in this state), then in
21 that event such inventory location shall be deemed the sales
22 location, or (2) in those situations in which the retailer
23 sends to the purchaser a complete and unconditional offer to
24 sell, then the sales location shall be the office location that
25 the retailer or its authorized representative first receives
26 back the purchaser's acceptance of such offer, or (3) for keep

1 full or similar requirements contracts where the retailer
2 agrees to supply tangible personal property to a purchaser on a
3 continuous basis until notified to stop by the purchaser, then
4 for such contracts the sales location shall be the office
5 location that the retailer or its authorized representative
6 receives the initial order under such contract, provided that
7 if such contract is a written contract not requiring a separate
8 initial order to start the continuous supply process, then in
9 such a situation the sales location shall be the office
10 location that the retailer or its authorized representative
11 signed the contract, or (4) for sales accepted in Illinois
12 under a long term blanket or master contract which (though
13 definite as to price and quantity) must be implemented by the
14 purchaser's placing of specific orders when goods are wanted,
15 the office location of the retailer or its authorized
16 representative with which such subsequent specific orders are
17 received (rather than the place where the seller signed the
18 master contract) will determine the sales location with respect
19 to such orders, or (5) for sales to end users by a producer of
20 coal or other minerals mined in this state, the sales location
21 shall be the place where the coal or other minerals mined in
22 this state is extracted from the earth. With respect to
23 minerals (i) the term "extracted from the earth" means the
24 location at which the coal or other mineral is extracted from
25 the mouth of the mine, and (ii) a "mineral" includes not only
26 coal, but also oil, sand, stone taken from a quarry, gravel and

1 any other thing commonly regarded as a mineral and extracted
2 from the earth.

3 The changes made by this amendatory Act of the 97th General
4 Assembly shall be effective upon becoming law, and for past
5 periods not yet closed by any applicable limitations period, a
6 retailer may elect to apply this subsection in the allocation
7 of its past sales but only to the extent it does not change the
8 retailer's previous filing location for such sales.

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

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

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

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

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

12 (Source: P.A. 96-939, eff. 6-24-10.)

13 Section 40. The Local Mass Transit District Act is amended
14 by changing Section 5.01 as follows:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 processing of applications for title or registration.

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

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

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

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

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

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

24 (B) Two thousand five hundred electors of any Metro East
25 Mass Transit District may petition the Chief Judge of the
26 Circuit Court, or any judge of that Circuit designated by the

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

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

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

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

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

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

1 0.75%?

2 Name Address, with Street and Number.

3

4

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

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

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

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

14 (d-6) If the Board of Trustees of any Metro East Mass
15 Transit District has imposed a rate increase under subsection
16 (d-5) and filed an ordinance with the Department of Revenue
17 excluding titled property from the higher rate, then that Board
18 may, by ordinance adopted with the concurrence of two-thirds of
19 the then trustees, impose throughout the District a fee. The
20 fee on the excluded property shall not exceed \$20 per retail
21 transaction or an amount equal to the amount of tax excluded,
22 whichever is less, on tangible personal property that is titled
23 or registered with an agency of this State's government.
24 Beginning July 1, 2004, the fee shall apply only to titled
25 property that is subject to either the Metro East Mass Transit
26 District Retailers' Occupation Tax or the Metro East Mass

1 Transit District Service Occupation Tax. No fee shall be
2 imposed or collected under this subsection on the sale of a
3 motor vehicle in this State to a resident of another state if
4 that motor vehicle will not be titled in this State.

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

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

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

5 (d-9) (Blank).

6 (d-10) (Blank).

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

16 (f) (Blank).

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

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

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

19 As soon as possible after the first day of each month,
20 beginning January 1, 2011, upon certification of the Department
21 of Revenue, the Comptroller shall order transferred, and the
22 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
23 local sales tax increment, as defined in the Innovation
24 Development and Economy Act, collected under this Section
25 during the second preceding calendar month for sales within a
26 STAR bond district. The Department shall make this

1 certification only if the local mass transit district imposes a
2 tax on real property as provided in the definition of "local
3 sales taxes" under the Innovation Development and Economy Act.

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

16 (i) In allocating or sourcing any municipal, county or
17 special district's retailers' occupation tax or the local share
18 of the state's retailers' occupation tax for sales occurring in
19 this state, other than sales of tangible personal property
20 titled or registered with an agency of this State's government,
21 the Department of Revenue shall deem as the sales location for
22 such allocation or sourcing purposes the office location that
23 the order for the purchase of the tangible personal property is
24 accepted by the retailer or its authorized representative,
25 except as provided in the next paragraph. In determining the
26 acceptance location for a sale, the office the order is first

1 received by the retailer or its authorized representative shall
2 be deemed the acceptance location, unless clearly proven
3 otherwise by the retailer that the final event or activity
4 giving rise to the retailer's acceptance of, or the binding
5 contract for, such sale occurred at a different office
6 location. In applying this Subsection (i), if the order is
7 received by electronic means, including but not limited to
8 e-mail and facsimile transmission, and the first electronic
9 receipt of the order is not addressed to or otherwise
10 identified with a specific office location of the retailer or
11 its authorized representative, then the order shall be deemed
12 first received at the office location of the retailer or its
13 authorized representative to which the addressee of the
14 electronic order is primarily assigned or stationed, but in the
15 event such addressee has no identifiable office location then
16 the order shall be deemed first received at the office location
17 that first records the receipt of such electronic order. For
18 purposes of this Subsection (i), the term "order" means the
19 request (in writing, orally or electronically) by the purchaser
20 to buy tangible personal property. Neither the delivery
21 location nor the location of the acceptance of the tangible
22 personal property by the purchaser (either before or after
23 inspection or installation) shall determine the sales location
24 for allocation or sourcing purposes under this Section.

25 Notwithstanding the preceding paragraph, the sales
26 location for the allocation or sourcing of any municipal,

1 county or special district's retailers' occupation tax or the
2 local share of the state's retailers' occupation tax shall be
3 as follows: (1) in the event the acceptance of the order by the
4 retailer occurs outside of the state (whether or not the
5 receipt of the order occurs within the state), then in those
6 situations the sales location shall be deemed outside of the
7 state, and no local sourcing of retailers' occupation tax
8 applies, except when the tangible personal property which is
9 being sold is in the inventory of the retailer at a location
10 within the state at the time of sale (or is subsequently
11 produced by the retailer at a location in this state), then in
12 that event such inventory location shall be deemed the sales
13 location, or (2) in those situations in which the retailer
14 sends to the purchaser a complete and unconditional offer to
15 sell, then the sales location shall be the office location that
16 the retailer or its authorized representative first receives
17 back the purchaser's acceptance of such offer, or (3) for keep
18 full or similar requirements contracts where the retailer
19 agrees to supply tangible personal property to a purchaser on a
20 continuous basis until notified to stop by the purchaser, then
21 for such contracts the sales location shall be the office
22 location that the retailer or its authorized representative
23 receives the initial order under such contract, provided that
24 if such contract is a written contract not requiring a separate
25 initial order to start the continuous supply process, then in
26 such a situation the sales location shall be the office

1 location that the retailer or its authorized representative
2 signed the contract, or (4) for sales accepted in Illinois
3 under a long term blanket or master contract which (though
4 definite as to price and quantity) must be implemented by the
5 purchaser's placing of specific orders when goods are wanted,
6 the office location of the retailer or its authorized
7 representative with which such subsequent specific orders are
8 received (rather than the place where the seller signed the
9 master contract) will determine the sales location with respect
10 to such orders, or (5) for sales to end users by a producer of
11 coal or other minerals mined in this state, the sales location
12 shall be the place where the coal or other minerals mined in
13 this state is extracted from the earth. With respect to
14 minerals (i) the term "extracted from the earth" means the
15 location at which the coal or other mineral is extracted from
16 the mouth of the mine, and (ii) a "mineral" includes not only
17 coal, but also oil, sand, stone taken from a quarry, gravel and
18 any other thing commonly regarded as a mineral and extracted
19 from the earth.

20 The changes made by this amendatory Act of the 97th General
21 Assembly shall be effective upon becoming law, and for past
22 periods not yet closed by any applicable limitations period, a
23 retailer may elect to apply this subsection in the allocation
24 of its past sales but only to the extent it does not change the
25 retailer's previous filing location for such sales.

26 (Source: P.A. 95-331, eff. 8-21-07; 96-328, eff. 8-11-09;

1 96-939, eff. 6-24-10.)

2 Section 45. The Regional Transportation Authority Act is
3 amended by changing Section 4.03 as follows:

4 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

5 Sec. 4.03. Taxes.

6 (a) In order to carry out any of the powers or purposes of
7 the Authority, the Board may by ordinance adopted with the
8 concurrence of 12 of the then Directors, impose throughout the
9 metropolitan region any or all of the taxes provided in this
10 Section. Except as otherwise provided in this Act, taxes
11 imposed under this Section and civil penalties imposed incident
12 thereto shall be collected and enforced by the State Department
13 of Revenue. The Department shall have the power to administer
14 and enforce the taxes and to determine all rights for refunds
15 for erroneous payments of the taxes. Nothing in this amendatory
16 Act of the 95th General Assembly is intended to invalidate any
17 taxes currently imposed by the Authority. The increased vote
18 requirements to impose a tax shall only apply to actions taken
19 after the effective date of this amendatory Act of the 95th
20 General Assembly.

21 (b) The Board may impose a public transportation tax upon
22 all persons engaged in the metropolitan region in the business
23 of selling at retail motor fuel for operation of motor vehicles
24 upon public highways. The tax shall be at a rate not to exceed

1 5% of the gross receipts from the sales of motor fuel in the
2 course of the business. As used in this Act, the term "motor
3 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
4 The Board may provide for details of the tax. The provisions of
5 any tax shall conform, as closely as may be practicable, to the
6 provisions of the Municipal Retailers Occupation Tax Act,
7 including without limitation, conformity to penalties with
8 respect to the tax imposed and as to the powers of the State
9 Department of Revenue to promulgate and enforce rules and
10 regulations relating to the administration and enforcement of
11 the provisions of the tax imposed, except that reference in the
12 Act to any municipality shall refer to the Authority and the
13 tax shall be imposed only with regard to receipts from sales of
14 motor fuel in the metropolitan region, at rates as limited by
15 this Section.

16 (c) In connection with the tax imposed under paragraph (b)
17 of this Section the Board may impose a tax upon the privilege
18 of using in the metropolitan region motor fuel for the
19 operation of a motor vehicle upon public highways, the tax to
20 be at a rate not in excess of the rate of tax imposed under
21 paragraph (b) of this Section. The Board may provide for
22 details of the tax.

23 (d) The Board may impose a motor vehicle parking tax upon
24 the privilege of parking motor vehicles at off-street parking
25 facilities in the metropolitan region at which a fee is
26 charged, and may provide for reasonable classifications in and

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

17 (e) The Board may impose a Regional Transportation
18 Authority Retailers' Occupation Tax upon all persons engaged in
19 the business of selling tangible personal property at retail in
20 the metropolitan region. In Cook County the tax rate shall be
21 1.25% of the gross receipts from sales of food for human
22 consumption that is to be consumed off the premises where it is
23 sold (other than alcoholic beverages, soft drinks and food that
24 has been prepared for immediate consumption) and prescription
25 and nonprescription medicines, drugs, medical appliances and
26 insulin, urine testing materials, syringes and needles used by

1 diabetics, and 1% of the gross receipts from other taxable
2 sales made in the course of that business. In DuPage, Kane,
3 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
4 of the gross receipts from all taxable sales made in the course
5 of that business. The tax imposed under this Section and all
6 civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The Department shall have full power to administer and
9 enforce this Section; to collect all taxes and penalties so
10 collected in the manner hereinafter provided; and to determine
11 all rights to credit memoranda arising on account of the
12 erroneous payment of tax or penalty hereunder. In the
13 administration of, and compliance with this Section, the
14 Department and persons who are subject to this Section shall
15 have the same rights, remedies, privileges, immunities, powers
16 and duties, and be subject to the same conditions,
17 restrictions, limitations, penalties, exclusions, exemptions
18 and definitions of terms, and employ the same modes of
19 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
20 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
21 therein other than the State rate of tax), 2c, 3 (except as to
22 the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
24 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act, as fully
26 as if those provisions were set forth herein.

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

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

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

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

1 No tax shall be imposed or collected under this subsection
2 on the sale of a motor vehicle in this State to a resident of
3 another state if that motor vehicle will not be titled in this
4 State.

5 Nothing in this Section shall be construed to authorize the
6 Regional Transportation Authority to impose a tax upon the
7 privilege of engaging in any business that under the
8 Constitution of the United States may not be made the subject
9 of taxation by this State.

10 (f) If a tax has been imposed under paragraph (e), a
11 Regional Transportation Authority Service Occupation Tax shall
12 also be imposed upon all persons engaged, in the metropolitan
13 region in the business of making sales of service, who as an
14 incident to making the sales of service, transfer tangible
15 personal property within the metropolitan region, either in the
16 form of tangible personal property or in the form of real
17 estate as an incident to a sale of service. In Cook County, the
18 tax rate shall be: (1) 1.25% of the serviceman's cost price of
19 food prepared for immediate consumption and transferred
20 incident to a sale of service subject to the service occupation
21 tax by an entity licensed under the Hospital Licensing Act, the
22 Nursing Home Care Act, or the MR/DD Community Care Act that is
23 located in the metropolitan region; (2) 1.25% of the selling
24 price of food for human consumption that is to be consumed off
25 the premises where it is sold (other than alcoholic beverages,
26 soft drinks and food that has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,
2 drugs, medical appliances and insulin, urine testing
3 materials, syringes and needles used by diabetics; and (3) 1%
4 of the selling price from other taxable sales of tangible
5 personal property transferred. In DuPage, Kane, Lake, McHenry
6 and Will Counties the rate shall be 0.75% of the selling price
7 of all tangible personal property transferred.

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

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

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

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

26 Nothing in this paragraph shall be construed to authorize

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

4 (g) If a tax has been imposed under paragraph (e), a tax
5 shall also be imposed upon the privilege of using in the
6 metropolitan region, any item of tangible personal property
7 that is purchased outside the metropolitan region at retail
8 from a retailer, and that is titled or registered with an
9 agency of this State's government. In Cook County the tax rate
10 shall be 1% of the selling price of the tangible personal
11 property, as "selling price" is defined in the Use Tax Act. In
12 DuPage, Kane, Lake, McHenry and Will counties the tax rate
13 shall be 0.75% of the selling price of the tangible personal
14 property, as "selling price" is defined in the Use Tax Act. The
15 tax shall be collected from persons whose Illinois address for
16 titling or registration purposes is given as being in the
17 metropolitan region. The tax shall be collected by the
18 Department of Revenue for the Regional Transportation
19 Authority. The tax must be paid to the State, or an exemption
20 determination must be obtained from the Department of Revenue,
21 before the title or certificate of registration for the
22 property may be issued. The tax or proof of exemption may be
23 transmitted to the Department by way of the State agency with
24 which, or the State officer with whom, the tangible personal
25 property must be titled or registered if the Department and the
26 State agency or State officer determine that this procedure

1 will expedite the processing of applications for title or
2 registration.

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

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

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

6 (h) The Authority may impose a replacement vehicle tax of
7 \$50 on any passenger car as defined in Section 1-157 of the
8 Illinois Vehicle Code purchased within the metropolitan region
9 by or on behalf of an insurance company to replace a passenger
10 car of an insured person in settlement of a total loss claim.
11 The tax imposed may not become effective before the first day
12 of the month following the passage of the ordinance imposing
13 the tax and receipt of a certified copy of the ordinance by the
14 Department of Revenue. The Department of Revenue shall collect
15 the tax for the Authority in accordance with Sections 3-2002
16 and 3-2003 of the Illinois Vehicle Code.

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

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the Innovation
25 Development and Economy Act, collected under this Section
26 during the second preceding calendar month for sales within a

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to the Authority. The
6 amount to be paid to the Authority shall be the amount
7 collected hereunder during the second preceding calendar month
8 by the Department, less any amount determined by the Department
9 to be necessary for the payment of refunds, and less any
10 amounts that are transferred to the STAR Bonds Revenue Fund.
11 Within 10 days after receipt by the Comptroller of the
12 disbursement certification to the Authority provided for in
13 this Section to be given to the Comptroller by the Department,
14 the Comptroller shall cause the orders to be drawn for that
15 amount in accordance with the directions contained in the
16 certification.

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

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

1 to any tax imposed under paragraph (c) of this Section.

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

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

25 (m) Any ordinance imposing or discontinuing any tax under
26 this Section shall be adopted and a certified copy thereof

1 filed with the Department on or before June 1, whereupon the
2 Department of Revenue shall proceed to administer and enforce
3 this Section on behalf of the Regional Transportation Authority
4 as of September 1 next following such adoption and filing.
5 Beginning January 1, 1992, an ordinance or resolution imposing
6 or discontinuing the tax hereunder shall be adopted and a
7 certified copy thereof filed with the Department on or before
8 the first day of July, whereupon the Department shall proceed
9 to administer and enforce this Section as of the first day of
10 October next following such adoption and filing. Beginning
11 January 1, 1993, an ordinance or resolution imposing,
12 increasing, decreasing, or discontinuing the tax hereunder
13 shall be adopted and a certified copy thereof filed with the
14 Department, whereupon the Department shall proceed to
15 administer and enforce this Section as of the first day of the
16 first month to occur not less than 60 days following such
17 adoption and filing. Any ordinance or resolution of the
18 Authority imposing a tax under this Section and in effect on
19 August 1, 2007 shall remain in full force and effect and shall
20 be administered by the Department of Revenue under the terms
21 and conditions and rates of tax established by such ordinance
22 or resolution until the Department begins administering and
23 enforcing an increased tax under this Section as authorized by
24 this amendatory Act of the 95th General Assembly. The tax rates
25 authorized by this amendatory Act of the 95th General Assembly
26 are effective only if imposed by ordinance of the Authority.

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

22 In addition to the disbursement required by the preceding
23 paragraph, an allocation shall be made in July 1991 and each
24 year thereafter to the Regional Transportation Authority. The
25 allocation shall be made in an amount equal to the average
26 monthly distribution during the preceding calendar year

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

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

16 (p) At no time shall a public transportation tax or motor
17 vehicle parking tax authorized under paragraphs (b), (c) and
18 (d) of this Section be in effect at the same time as any
19 retailers' occupation, use or service occupation tax
20 authorized under paragraphs (e), (f) and (g) of this Section is
21 in effect.

22 Any taxes imposed under the authority provided in
23 paragraphs (b), (c) and (d) shall remain in effect only until
24 the time as any tax authorized by paragraphs (e), (f) or (g) of
25 this Section are imposed and becomes effective. Once any tax
26 authorized by paragraphs (e), (f) or (g) is imposed the Board

1 may not reimpose taxes as authorized in paragraphs (b), (c) and
2 (d) of the Section unless any tax authorized by paragraphs (e),
3 (f) or (g) of this Section becomes ineffective by means other
4 than an ordinance of the Board.

5 (q) Any existing rights, remedies and obligations
6 (including enforcement by the Regional Transportation
7 Authority) arising under any tax imposed under paragraphs (b),
8 (c) or (d) of this Section shall not be affected by the
9 imposition of a tax under paragraphs (e), (f) or (g) of this
10 Section.

11 (r) In allocating or sourcing any municipal, county or
12 special district's retailers' occupation tax or the local share
13 of the state's retailers' occupation tax for sales occurring in
14 this state, other than sales of tangible personal property
15 titled or registered with an agency of this State's government,
16 the Department of Revenue shall deem as the sales location for
17 such allocation or sourcing purposes the office location that
18 the order for the purchase of the tangible personal property is
19 accepted by the retailer or its authorized representative,
20 except as provided in the next paragraph. In determining the
21 acceptance location for a sale, the office the order is first
22 received by the retailer or its authorized representative shall
23 be deemed the acceptance location, unless clearly proven
24 otherwise by the retailer that the final event or activity
25 giving rise to the retailer's acceptance of, or the binding
26 contract for, such sale occurred at a different office

1 location. In applying this Subsection (r), if the order is
2 received by electronic means, including but not limited to
3 e-mail and facsimile transmission, and the first electronic
4 receipt of the order is not addressed to or otherwise
5 identified with a specific office location of the retailer or
6 its authorized representative, then the order shall be deemed
7 first received at the office location of the retailer or its
8 authorized representative to which the addressee of the
9 electronic order is primarily assigned or stationed, but in the
10 event such addressee has no identifiable office location then
11 the order shall be deemed first received at the office location
12 that first records the receipt of such electronic order. For
13 purposes of this Subsection (r), the term "order" means the
14 request (in writing, orally or electronically) by the purchaser
15 to buy tangible personal property. Neither the delivery
16 location nor the location of the acceptance of the tangible
17 personal property by the purchaser (either before or after
18 inspection or installation) shall determine the sales location
19 for allocation or sourcing purposes under this Section.

20 Notwithstanding the preceding paragraph, the sales
21 location for the allocation or sourcing of any municipal,
22 county or special district's retailers' occupation tax or the
23 local share of the state's retailers' occupation tax shall be
24 as follows: (1) in the event the acceptance of the order by the
25 retailer occurs outside of the state (whether or not the
26 receipt of the order occurs within the state), then in those

1 situations the sales location shall be deemed outside of the
2 state, and no local sourcing of retailers' occupation tax
3 applies, except when the tangible personal property which is
4 being sold is in the inventory of the retailer at a location
5 within the state at the time of sale (or is subsequently
6 produced by the retailer at a location in this state), then in
7 that event such inventory location shall be deemed the sales
8 location, or (2) in those situations in which the retailer
9 sends to the purchaser a complete and unconditional offer to
10 sell, then the sales location shall be the office location that
11 the retailer or its authorized representative first receives
12 back the purchaser's acceptance of such offer, or (3) for keep
13 full or similar requirements contracts where the retailer
14 agrees to supply tangible personal property to a purchaser on a
15 continuous basis until notified to stop by the purchaser, then
16 for such contracts the sales location shall be the office
17 location that the retailer or its authorized representative
18 receives the initial order under such contract, provided that
19 if such contract is a written contract not requiring a separate
20 initial order to start the continuous supply process, then in
21 such a situation the sales location shall be the office
22 location that the retailer or its authorized representative
23 signed the contract, or (4) for sales accepted in Illinois
24 under a long term blanket or master contract which (though
25 definite as to price and quantity) must be implemented by the
26 purchaser's placing of specific orders when goods are wanted,

1 the office location of the retailer or its authorized
2 representative with which such subsequent specific orders are
3 received (rather than the place where the seller signed the
4 master contract) will determine the sales location with respect
5 to such orders, or (5) for sales to end users by a producer of
6 coal or other minerals mined in this state, the sales location
7 shall be the place where the coal or other minerals mined in
8 this state is extracted from the earth. With respect to
9 minerals (i) the term "extracted from the earth" means the
10 location at which the coal or other mineral is extracted from
11 the mouth of the mine, and (ii) a "mineral" includes not only
12 coal, but also oil, sand, stone taken from a quarry, gravel and
13 any other thing commonly regarded as a mineral and extracted
14 from the earth.

15 The changes made by this amendatory Act of the 97th General
16 Assembly shall be effective upon becoming law, and for past
17 periods not yet closed by any applicable limitations period, a
18 retailer may elect to apply this subsection in the allocation
19 of its past sales but only to the extent it does not change the
20 retailer's previous filing location for such sales.

21 (Source: P.A. 95-708, eff. 1-18-08; 96-339, eff. 7-1-10;
22 96-939, eff. 6-24-10.)

23 Section 50. The Water Commission Act of 1985 is amended by
24 changing Section 4 as follows:

1 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

2 Sec. 4. Taxes.

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

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

15 -----

| | | |
|----|----------------------------------|-------|
| 16 | Shall the (insert corporate | |
| 17 | name of county water commission) | YES |
| 18 | impose (state type of tax or | ----- |
| 19 | taxes to be imposed) at the | NO |
| 20 | rate of 1/4%? | |

21 -----

22 Taxes imposed under this Section and civil penalties
 23 imposed incident thereto shall be collected and enforced by the
 24 State Department of Revenue. The Department shall have the
 25 power to administer and enforce the taxes and to determine all
 26 rights for refunds for erroneous payments of the taxes.

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

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

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

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

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

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

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

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

21 (c) If a tax has been imposed under subsection (b), a
22 County Water Commission Service Occupation Tax shall also be
23 imposed upon all persons engaged, in the territory of the
24 commission, in the business of making sales of service, who, as
25 an incident to making the sales of service, transfer tangible
26 personal property within the territory. The tax rate shall be

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

17 (g-5) In allocating or sourcing any municipal, county or
18 special district's retailers' occupation tax or the local share
19 of the state's retailers' occupation tax for sales occurring in
20 this state, other than sales of tangible personal property
21 titled or registered with an agency of this State's government,
22 the Department of Revenue shall deem as the sales location for
23 such allocation or sourcing purposes the office location that
24 the order for the purchase of the tangible personal property is
25 accepted by the retailer or its authorized representative,
26 except as provided in the next paragraph. In determining the

1 acceptance location for a sale, the office the order is first
2 received by the retailer or its authorized representative shall
3 be deemed the acceptance location, unless clearly proven
4 otherwise by the retailer that the final event or activity
5 giving rise to the retailer's acceptance of, or the binding
6 contract for, such sale occurred at a different office
7 location. In applying this Subsection (g-5), if the order is
8 received by electronic means, including but not limited to
9 e-mail and facsimile transmission, and the first electronic
10 receipt of the order is not addressed to or otherwise
11 identified with a specific office location of the retailer or
12 its authorized representative, then the order shall be deemed
13 first received at the office location of the retailer or its
14 authorized representative to which the addressee of the
15 electronic order is primarily assigned or stationed, but in the
16 event such addressee has no identifiable office location then
17 the order shall be deemed first received at the office location
18 that first records the receipt of such electronic order. For
19 purposes of this Subsection (g-5), the term "order" means the
20 request (in writing, orally or electronically) by the purchaser
21 to buy tangible personal property. Neither the delivery
22 location nor the location of the acceptance of the tangible
23 personal property by the purchaser (either before or after
24 inspection or installation) shall determine the sales location
25 for allocation or sourcing purposes under this Section.

26 Notwithstanding the preceding paragraph, the sales

1 location for the allocation or sourcing of any municipal,
2 county or special district's retailers' occupation tax or the
3 local share of the state's retailers' occupation tax shall be
4 as follows: (1) in the event the acceptance of the order by the
5 retailer occurs outside of the state (whether or not the
6 receipt of the order occurs within the state), then in those
7 situations the sales location shall be deemed outside of the
8 state, and no local sourcing of retailers' occupation tax
9 applies, except when the tangible personal property which is
10 being sold is in the inventory of the retailer at a location
11 within the state at the time of sale (or is subsequently
12 produced by the retailer at a location in this state), then in
13 that event such inventory location shall be deemed the sales
14 location, or (2) in those situations in which the retailer
15 sends to the purchaser a complete and unconditional offer to
16 sell, then the sales location shall be the office location that
17 the retailer or its authorized representative first receives
18 back the purchaser's acceptance of such offer, or (3) for keep
19 full or similar requirements contracts where the retailer
20 agrees to supply tangible personal property to a purchaser on a
21 continuous basis until notified to stop by the purchaser, then
22 for such contracts the sales location shall be the office
23 location that the retailer or its authorized representative
24 receives the initial order under such contract, provided that
25 if such contract is a written contract not requiring a separate
26 initial order to start the continuous supply process, then in

1 such a situation the sales location shall be the office
2 location that the retailer or its authorized representative
3 signed the contract, or (4) for sales accepted in Illinois
4 under a long term blanket or master contract which (though
5 definite as to price and quantity) must be implemented by the
6 purchaser's placing of specific orders when goods are wanted,
7 the office location of the retailer or its authorized
8 representative with which such subsequent specific orders are
9 received (rather than the place where the seller signed the
10 master contract) will determine the sales location with respect
11 to such orders, or (5) for sales to end users by a producer of
12 coal or other minerals mined in this state, the sales location
13 shall be the place where the coal or other minerals mined in
14 this state is extracted from the earth. With respect to
15 minerals (i) the term "extracted from the earth" means the
16 location at which the coal or other mineral is extracted from
17 the mouth of the mine, and (ii) a "mineral" includes not only
18 coal, but also oil, sand, stone taken from a quarry, gravel and
19 any other thing commonly regarded as a mineral and extracted
20 from the earth.

21 The changes made by this amendatory Act of the 97th General
22 Assembly shall be effective upon becoming law, and for past
23 periods not yet closed by any applicable limitations period, a
24 retailer may elect to apply this subsection in the allocation
25 of its past sales but only to the extent it does not change the
26 retailer's previous filing location for such sales.

1 (h) Beginning June 1, 2016, any tax imposed pursuant to
2 this Section may no longer be imposed or collected, unless a
3 continuation of the tax is approved by the voters at a
4 referendum as set forth in this Section.

5 (Source: P.A. 96-939, eff. 6-24-10; 96-1389, eff. 7-29-10;
6 revised 9-2-10.)

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

14 Section 99. Effective date. This Act takes effect upon
15 becoming law.

1 INDEX

2 Statutes amended in order of appearance

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| 3 | 30 ILCS 105/6z-18 | from Ch. 127, par. 142z-18 |
| 4 | 30 ILCS 105/6z-20 | from Ch. 127, par. 142z-20 |
| 5 | 55 ILCS 5/5-1006 | from Ch. 34, par. 5-1006 |
| 6 | 55 ILCS 5/5-1006.5 | |
| 7 | 55 ILCS 5/5-1006.7 | |
| 8 | 55 ILCS 5/5-1007 | from Ch. 34, par. 5-1007 |
| 9 | 55 ILCS 5/5-1008.5 | |
| 10 | 65 ILCS 5/8-11-1 | from Ch. 24, par. 8-11-1 |
| 11 | 65 ILCS 5/8-11-1.3 | from Ch. 24, par. 8-11-1.3 |
| 12 | 65 ILCS 5/8-11-1.4 | from Ch. 24, par. 8-11-1.4 |
| 13 | 65 ILCS 5/8-11-1.6 | |
| 14 | 65 ILCS 5/8-11-1.7 | |
| 15 | 70 ILCS 200/245-12 | |
| 16 | 70 ILCS 210/13 | from Ch. 85, par. 1233 |
| 17 | 70 ILCS 750/25 | |
| 18 | 70 ILCS 1605/30 | |
| 19 | 70 ILCS 3610/5.01 | from Ch. 111 2/3, par. 355.01 |
| 20 | 70 ILCS 3615/4.03 | from Ch. 111 2/3, par. 704.03 |
| 21 | 70 ILCS 3720/4 | from Ch. 111 2/3, par. 254 |