

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, special  
22 district, or other local retailers' occupation tax or the local  
23 share of the State's retailers' occupation tax for sales  
24 occurring in this State, the sales location for such allocation  
25 or sourcing purposes shall be 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 and the next paragraph, if  
10 the order is received by electronic means, including but not  
11 limited to e-mail and facsimile transmission, and the first  
12 electronic receipt of the order is not addressed to or  
13 otherwise identified with a specific office location of the  
14 retailer or its authorized representative, then the order shall  
15 be deemed first received at the office location of the retailer  
16 or its authorized representative to which the addressee of the  
17 electronic order is primarily assigned or stationed, but in the  
18 event such addressee has no identifiable office location then  
19 the order shall be deemed first received at the office location  
20 that 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 and the term "office location" means a structure, or  
25 part of a structure, held out to the public as being an office  
26 of the retailer or its authorized representative, where at

1 least one individual performs authorized services for the  
2 retailer or its authorized representative with respect to the  
3 purchase of tangible personal property from the retailer and  
4 the services relate in some fashion to the overall order  
5 processing or sales approval process, including, but not  
6 limited to, order input, order review, credit review, credit  
7 approval, order acceptance, or order rejection. Neither the  
8 delivery location nor the location of the acceptance of the  
9 tangible personal property by the purchaser (either before or  
10 after inspection or installation) shall determine the sales  
11 location for allocation or sourcing purposes under this  
12 Section.

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

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

1 representative, and, prior to final acceptance of the order by  
2 the retailer or its authorized representative, the ordered  
3 tangible personal property is delivered or shipped from the  
4 inventory of the retailer at a location in this State, then the  
5 sales location shall be the retailer's or its authorized  
6 representative's office location in this State where the  
7 purchase order for such tangible personal property is first  
8 received or if such order is first received at an office  
9 location outside the State then the sales location shall be the  
10 inventory location from which the tangible personal property  
11 was shipped or delivered, or (6) in those situations where the  
12 order for the purchase of tangible personal property is first  
13 received by the retailer, or placed by the purchaser, at a  
14 retailer's retail sales location and both the immediate payment  
15 for the sale occurs at that location and the delivery or  
16 shipment of the property occurs from that location, then that  
17 retail sales location shall be deemed the sales location for  
18 that sale.

19 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
20 purpose of determining allocation to the local government unit,  
21 a retail sale by a producer of coal or other mineral mined in  
22 Illinois is a sale at retail at the place where the coal or  
23 other mineral mined in Illinois is extracted from the earth.  
24 With respect to minerals (i) the term "extracted from the  
25 earth" means the location at which the coal or other mineral is  
26 extracted from the mouth of the mine, and (ii) a "mineral"

1 includes not only coal, but also oil, sand, stone taken from a  
2 quarry, gravel and any other thing commonly regarded as a  
3 mineral and extracted from the earth. This paragraph does not  
4 apply to coal or other mineral when it is delivered or shipped  
5 by the seller to the purchaser at a point outside Illinois so  
6 that the sale is exempt under the United States Constitution as  
7 a sale in interstate or foreign commerce.

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

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

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

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



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

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

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

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

1 replacement revenue for such abolished taxes, distributed from  
2 the Local Government Tax Fund.

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

5 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

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

20 In allocating or sourcing any municipal, county, special  
21 district, or other local retailers' occupation tax or the local  
22 share of the State's retailers' occupation tax for sales  
23 occurring in this State, the sales location for such allocation  
24 or sourcing purposes shall be the office location that the  
25 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 and the next paragraph, if  
10 the order is received by electronic means, including but not  
11 limited to e-mail and facsimile transmission, and the first  
12 electronic receipt of the order is not addressed to or  
13 otherwise identified with a specific office location of the  
14 retailer or its authorized representative, then the order shall  
15 be deemed first received at the office location of the retailer  
16 or its authorized representative to which the addressee of the  
17 electronic order is primarily assigned or stationed, but in the  
18 event such addressee has no identifiable office location then  
19 the order shall be deemed first received at the office location  
20 that 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 and the term "office location" means a structure, or  
25 part of a structure, held out to the public as being an office  
26 of the retailer or its authorized representative, where at

1 least one individual performs authorized services for the  
2 retailer or its authorized representative with respect to the  
3 purchase of tangible personal property from the retailer and  
4 the services relate in some fashion to the overall order  
5 processing or sales approval process, including, but not  
6 limited to, order input, order review, credit review, credit  
7 approval, order acceptance, or order rejection. Neither the  
8 delivery location nor the location of the acceptance of the  
9 tangible personal property by the purchaser (either before or  
10 after inspection or installation) shall determine the sales  
11 location for allocation or sourcing purposes under this  
12 Section.

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

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

1 representative, and, prior to final acceptance of the order by  
2 the retailer or its authorized representative, the ordered  
3 tangible personal property is delivered or shipped from the  
4 inventory of the retailer at a location in this State, then the  
5 sales location shall be the retailer's or its authorized  
6 representative's office location in this State where the  
7 purchase order for such tangible personal property is first  
8 received or if such order is first received at an office  
9 location outside the State then the sales location shall be the  
10 inventory location from which the tangible personal property  
11 was shipped or delivered, or (6) in those situations where the  
12 order for the purchase of tangible personal property is first  
13 received by the retailer, or placed by the purchaser, at a  
14 retailer's retail sales location and both the immediate payment  
15 for the sale occurs at that location and the delivery or  
16 shipment of the property occurs from that location, then that  
17 retail sales location shall be deemed the sales location for  
18 that sale.

19 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
20 purpose of determining allocation to the local government unit,  
21 a retail sale by a producer of coal or other mineral mined in  
22 Illinois is a sale at retail at the place where the coal or  
23 other mineral mined in Illinois is extracted from the earth.  
24 With respect to minerals (i) the term "extracted from the  
25 earth" means the location at which the coal or other mineral is  
26 extracted from the mouth of the mine, and (ii) a "mineral"

1 includes not only coal, but also oil, sand, stone taken from a  
2 quarry, gravel and any other thing commonly regarded as a  
3 mineral and extracted from the earth. This paragraph does not  
4 apply to coal or other mineral when it is delivered or shipped  
5 by the seller to the purchaser at a point outside Illinois so  
6 that the sale is exempt under the United States Constitution as  
7 a sale in interstate or foreign commerce.

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

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

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

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

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 during the second  
22 preceding calendar month for sales within a STAR bond district  
23 and deposited into the County and Mass Transit District Fund,  
24 less 3% of that amount, which shall be transferred into the Tax  
25 Compliance and Administration Fund and shall be used by the  
26 Department, subject to appropriation, to cover the costs of the



1 Department in administering the Innovation Development and  
2 Economy Act.

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

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

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

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

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

1 the County and Mass Transit District Fund or Local Government  
2 Distributive Fund, as the case may be.

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

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

7 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

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

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

26 No tax may be imposed by a home rule county pursuant to

1 this Section unless the county also imposes a tax at the same  
2 rate pursuant to Section 5-1007.

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

10 Whenever the Department determines that a refund should be  
11 made under this Section 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 the home rule county retailers' occupation tax  
17 fund.

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

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

1 during the second preceding calendar month for sales within a  
2 STAR bond district.

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

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

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

1 otherwise by the retailer that the final event or activity  
2 giving rise to the retailer's acceptance of, or the binding  
3 contract for, such sale occurred at a different office  
4 location. In applying this paragraph and the next paragraph, if  
5 the order is received by electronic means, including but not  
6 limited to e-mail and facsimile transmission, and the first  
7 electronic receipt of the order is not addressed to or  
8 otherwise identified with a specific office location of the  
9 retailer or its authorized representative, then the order shall  
10 be deemed first received at the office location of the retailer  
11 or its authorized representative to which the addressee of the  
12 electronic order is primarily assigned or stationed, but in the  
13 event such addressee has no identifiable office location then  
14 the order shall be deemed first received at the office location  
15 that first records the receipt of such electronic order. For  
16 purposes of this paragraph and the next paragraph, the term  
17 "order" means the request (in writing, orally or  
18 electronically) by the purchaser to buy tangible personal  
19 property and the term "office location" means a structure, or  
20 part of a structure, held out to the public as being an office  
21 of the retailer or its authorized representative, where at  
22 least one individual performs authorized services for the  
23 retailer or its authorized representative with respect to the  
24 purchase of tangible personal property from the retailer and  
25 the services relate in some fashion to the overall order  
26 processing or sales approval process, including, but not



1 limited to, order input, order review, credit review, credit  
2 approval, order acceptance, or order rejection. Neither the  
3 delivery location nor the location of the acceptance of the  
4 tangible personal property by the purchaser (either before or  
5 after inspection or installation) shall determine the sales  
6 location for allocation or sourcing purposes under this  
7 Section.

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

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

1 representative's office location in this State where the  
2 purchase order for such tangible personal property is first  
3 received or if such order is first received at an office  
4 location outside the State then the sales location shall be the  
5 inventory location from which the tangible personal property  
6 was shipped or delivered, or (6) in those situations where the  
7 order for the purchase of tangible personal property is first  
8 received by the retailer, or placed by the purchaser, at a  
9 retailer's retail sales location and both the immediate payment  
10 for the sale occurs at that location and the delivery or  
11 shipment of the property occurs from that location, then that  
12 retail sales location shall be deemed the sales location for  
13 that sale.

14 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
15 purpose of determining the local governmental unit whose tax is  
16 applicable, a retail sale by a producer of coal or other  
17 mineral mined in Illinois is a sale at retail at the place  
18 where the coal or other mineral mined in Illinois is extracted  
19 from the earth. With respect to minerals (i) the term  
20 "extracted from the earth" means the location at which the coal  
21 or other mineral is extracted from the mouth of the mine, and  
22 (ii) a "mineral" includes not only coal, but also oil, sand,  
23 stone taken from a quarry, gravel and any other thing commonly  
24 regarded as a mineral and extracted from the earth. This  
25 paragraph does not apply to coal or other mineral when it is  
26 delivered or shipped by the seller to the purchaser at a point

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

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

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

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

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

19 When certifying the amount of a monthly disbursement to a  
20 county under this Section, the Department shall increase or  
21 decrease such 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 This Section shall be known and may be cited as the Home  
26 Rule County Retailers' Occupation Tax Law.

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

2 (55 ILCS 5/5-1006.5)

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

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

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

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

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

11 The county clerk shall certify the question to the proper  
12 election authority, who shall submit the proposition at an  
13 election in accordance with the general election law.

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

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

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."

24 The county board may also opt to establish a sunset  
25 provision at which time the additional sales tax would  
26 cease being collected, if not terminated earlier by a vote

1 of the county board. If the county board votes to include a  
2 sunset provision, the proposition for public safety  
3 purposes shall be in substantially the following form:

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

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. If imposed,  
13 the additional tax would cease being collected at the end  
14 of (insert number of years), if not terminated earlier by a  
15 vote of the county board."

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

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

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

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



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."

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

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

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. If imposed,  
21 the additional tax would cease being collected at the end  
22 of (insert number of years), if not terminated earlier by a  
23 vote of the county board."

24           For the purposes of this paragraph, transportation  
25 purposes means construction, maintenance, operation, and  
26 improvement of public highways, any other purpose for which

1 a county may expend funds under the Illinois Highway Code,  
2 and passenger rail transportation.

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

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

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

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

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

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

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

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

26 "This would mean that a consumer would pay an

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

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

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

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

22 This additional tax may not be imposed on the sales of food  
23 for human consumption that is to be consumed off the premises  
24 where it is sold (other than alcoholic beverages, soft drinks,  
25 and food which has been prepared for immediate consumption) and  
26 prescription and non-prescription medicines, drugs, medical

1 appliances and insulin, urine testing materials, syringes, and  
2 needles used by diabetics. The tax imposed by a county under  
3 this Section and all civil penalties that may be assessed as an  
4 incident of the tax shall be collected and enforced by the  
5 Illinois Department of Revenue and deposited into a special  
6 fund created for that purpose. The certificate of registration  
7 that is issued by the Department to a retailer under the  
8 Retailers' Occupation Tax Act shall permit the retailer to  
9 engage in a business that is taxable without registering  
10 separately with the Department under an ordinance or resolution  
11 under this Section. The Department has full power to administer  
12 and enforce this Section, to collect all taxes and penalties  
13 due under this Section, to dispose of taxes and penalties so  
14 collected in the manner provided in this Section, and to  
15 determine all rights to credit memoranda arising on account of  
16 the erroneous payment of a tax or penalty under this Section.  
17 In the administration of and compliance with this Section, the  
18 Department and persons who are subject to this Section shall  
19 (i) have the same rights, remedies, privileges, immunities,  
20 powers, and duties, (ii) be subject to the same conditions,  
21 restrictions, limitations, penalties, and definitions of  
22 terms, and (iii) employ the same modes of procedure as are  
23 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
24 1n, 2 through 2-70 (in respect to all provisions contained in  
25 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
26 (except provisions relating to transaction returns and quarter

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

6 Persons subject to any tax imposed under the authority  
7 granted in this Section may reimburse themselves for their  
8 sellers' tax liability by separately stating the tax as an  
9 additional charge, which charge may be stated in combination,  
10 in a single amount, with State tax which sellers are required  
11 to collect under the Use Tax Act, pursuant to such bracketed  
12 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 County Public Safety or Transportation  
20 Retailers' Occupation Tax Fund.

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

1 not be imposed on sales of food for human consumption that is  
2 to be consumed off the premises where it is sold (other than  
3 alcoholic beverages, soft drinks, and food prepared for  
4 immediate consumption) and prescription and non-prescription  
5 medicines, drugs, medical appliances and insulin, urine  
6 testing materials, syringes, and needles used by diabetics. The  
7 tax imposed under this subsection and all civil penalties that  
8 may be assessed as an incident thereof shall be collected and  
9 enforced by the Department of Revenue. The Department has full  
10 power to administer and enforce this subsection; to collect all  
11 taxes and penalties due hereunder; to dispose of taxes and  
12 penalties so collected in the manner hereinafter provided; and  
13 to determine all rights to credit memoranda arising on account  
14 of the erroneous payment of tax or penalty hereunder. In the  
15 administration of, and compliance with this subsection, the  
16 Department and persons who are subject to this paragraph shall  
17 (i) have the same rights, remedies, privileges, immunities,  
18 powers, and duties, (ii) be subject to the same conditions,  
19 restrictions, limitations, penalties, exclusions, exemptions,  
20 and definitions of terms, and (iii) employ the same modes of  
21 procedure as are prescribed in Sections 2 (except that the  
22 reference to State in the definition of supplier maintaining a  
23 place of business in this State shall mean the county), 2a, 2b,  
24 2c, 3 through 3-50 (in respect to all provisions therein other  
25 than the State rate of tax), 4 (except that the reference to  
26 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), 10, 11,  
4 12 (except the reference therein to Section 2b of the  
5 Retailers' Occupation Tax Act), 13 (except that any reference  
6 to the State shall mean the county), Section 15, 16, 17, 18, 19  
7 and 20 of the Service Occupation Tax Act and Section 3-7 of the  
8 Uniform Penalty and Interest Act, as fully as if those  
9 provisions were set forth herein.

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

18 Whenever the Department determines that a refund should be  
19 made under this subsection 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 County Public Safety or Transportation  
25 Retailers' Occupation Fund.

26 Nothing in this subsection shall be construed to authorize

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

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

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

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 have paid taxes or penalties to the Department during  
23 the second preceding calendar month. The amount to be paid to  
24 each county, and deposited by the county into its special fund  
25 created for the purposes of this Section, shall be the amount  
26 (not including credit memoranda) collected under this Section



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

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

1 and disbursed under this paragraph in the preceding calendar  
2 year. The Department shall prepare and certify to the  
3 Comptroller for disbursement the allocations made in  
4 accordance with this paragraph.

5 (c-5) In allocating or sourcing any municipal, county,  
6 special district, or other local retailers' occupation tax or  
7 the local share of the State's retailers' occupation tax for  
8 sales occurring in this State, the sales location for such  
9 allocation or sourcing purposes shall be the office location  
10 that the order for the purchase of the tangible personal  
11 property is accepted by the retailer or its authorized  
12 representative, except as provided in the next paragraph. In  
13 determining the acceptance location for a sale, the office the  
14 order is first received by the retailer or its authorized  
15 representative shall be deemed the acceptance location, unless  
16 clearly proven otherwise by the retailer that the final event  
17 or activity giving rise to the retailer's acceptance of, or the  
18 binding contract for, such sale occurred at a different office  
19 location. In applying this subsection (c-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 (c-5), the term "order" means the  
6 request (in writing, orally or electronically) by the purchaser  
7 to buy tangible personal property and the term "office  
8 location" means a structure, or part of a structure, held out  
9 to the public as being an office of the retailer or its  
10 authorized representative, where at least one individual  
11 performs authorized services for the retailer or its authorized  
12 representative with respect to the purchase of tangible  
13 personal property from the retailer and the services relate in  
14 some fashion to the overall order processing or sales approval  
15 process, including, but not limited to, order input, order  
16 review, credit review, credit approval, order acceptance, or  
17 order rejection. Neither the delivery location nor the location  
18 of the acceptance of the tangible personal property by the  
19 purchaser (either before or after inspection or installation)  
20 shall determine the sales location for allocation or sourcing  
21 purposes under this Section.

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

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

1 contract which (though definite as to price and quantity) must  
2 be implemented by the purchaser's placing of specific orders  
3 when goods are wanted, the office location of the retailer or  
4 its authorized representative with which such subsequent  
5 specific orders are received (rather than the place where the  
6 seller signed the master contract) will determine the sales  
7 location with respect to such orders, or (5) in those  
8 situations where the order for the purchase of tangible  
9 personal property is received by the retailer or its authorized  
10 representative, and, prior to final acceptance of the order by  
11 the retailer or its authorized representative, the ordered  
12 tangible personal property is delivered or shipped from the  
13 inventory of the retailer at a location in this State, then the  
14 sales location shall be the retailer's or its authorized  
15 representative's office location in this State where the  
16 purchase order for such tangible personal property is first  
17 received or if such order is first received at an office  
18 location outside the State then the sales location shall be the  
19 inventory location from which the tangible personal property  
20 was shipped or delivered, or (6) in those situations where the  
21 order for the purchase of tangible personal property is first  
22 received by the retailer, or placed by the purchaser, at a  
23 retailer's retail sales location and both the immediate payment  
24 for the sale occurs at that location and the delivery or  
25 shipment of the property occurs from that location, then that  
26 retail sales location shall be deemed the sales location for

1 that sale.

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

9 (d) Notwithstanding subsection (c-5) of this Section, for  
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 another 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. With respect to minerals (i) the term  
15 "extracted from the earth" means the location at which the coal  
16 or other mineral is extracted from the mouth of the mine, and  
17 (ii) a "mineral" includes not only coal, but also oil, sand,  
18 stone taken from a quarry, gravel and any other thing commonly  
19 regarded as a mineral and extracted from the earth. This  
20 paragraph does not apply to coal or another mineral when it is  
21 delivered or shipped by the seller to the purchaser at a point  
22 outside Illinois so that the sale is exempt under the United  
23 States Constitution as a sale in interstate or foreign  
24 commerce.

25 (e) Nothing in this Section shall be construed to authorize  
26 a county to impose a tax upon the privilege of engaging in any

1 business that under the Constitution of the United States may  
2 not be made the subject of taxation by this State.

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

26 "This would mean that a consumer would pay an

1 additional (insert amount) in sales tax for every \$100 of  
2 tangible personal property bought at retail."

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

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

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

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

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

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

26 (2) The proposition for transportation purposes shall

1 be in substantially the following form:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

25 "To pay for public facilities purposes, shall (name of  
26 county) be authorized to impose an increase on its share of

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

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

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

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

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

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

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

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

11 Persons subject to any tax imposed under the authority  
12 granted in this Section may reimburse themselves for their  
13 sellers' 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 which sellers are required  
16 to collect under the Use Tax Act, pursuant to such bracketed  
17 schedules as the Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this Section to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the order 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 County Public Safety or Transportation  
25 Retailers' Occupation Tax Fund.

26 (b) If a tax has been imposed under subsection (a), a



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

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

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

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 warrant to be drawn for the

1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the County Public Safety or Transportation  
4 Retailers' Occupation Fund.

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

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

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

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 disbursement of stated sums of money to the counties from which

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

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

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

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

15 (c-5) In allocating or sourcing any municipal, county,  
16 special district, or other local retailers' occupation tax or  
17 the local share of the State's retailers' occupation tax for  
18 sales occurring in this State, the sales location for such  
19 allocation or sourcing purposes shall be the office location  
20 that the order for the purchase of the tangible personal  
21 property is accepted by the retailer or its authorized  
22 representative, except as provided in the next paragraph. In  
23 determining the acceptance location for a sale, the office the  
24 order is first received by the retailer or its authorized  
25 representative shall be deemed the acceptance location, unless  
26 clearly proven otherwise by the retailer that the final event

1 or activity giving rise to the retailer's acceptance of, or the  
2 binding contract for, such sale occurred at a different office  
3 location. In applying this subsection (c-5), if the order is  
4 received by electronic means, including but not limited to  
5 e-mail and facsimile transmission, and the first electronic  
6 receipt of the order is not addressed to or otherwise  
7 identified with a specific office location of the retailer or  
8 its authorized representative, then the order shall be deemed  
9 first received at the office location of the retailer or its  
10 authorized representative to which the addressee of the  
11 electronic order is primarily assigned or stationed, but in the  
12 event such addressee has no identifiable office location then  
13 the order shall be deemed first received at the office location  
14 that first records the receipt of such electronic order. For  
15 purposes of this subsection (c-5), the term "order" means the  
16 request (in writing, orally or electronically) by the purchaser  
17 to buy tangible personal property and the term "office  
18 location" means a structure, or part of a structure, held out  
19 to the public as being an office of the retailer or its  
20 authorized representative, where at least one individual  
21 performs authorized services for the retailer or its authorized  
22 representative with respect to the purchase of tangible  
23 personal property from the retailer and the services relate in  
24 some fashion to the overall order processing or sales approval  
25 process, including, but not limited to, order input, order  
26 review, credit review, credit approval, order acceptance, or

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

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

1 property to a purchaser on a continuous basis until notified to  
2 stop by the purchaser, then for such contracts the sales  
3 location shall be the office location that the retailer or its  
4 authorized representative receives the initial order under  
5 such contract, provided that if such contract is a written  
6 contract not requiring a separate initial order to start the  
7 continuous supply process, then in such a situation the sales  
8 location shall be the office location that the retailer or its  
9 authorized representative signed the contract, or (4) for sales  
10 accepted in Illinois under a long-term blanket or master  
11 contract which (though definite as to price and quantity) must  
12 be implemented by the purchaser's placing of specific orders  
13 when goods are wanted, the office location of the retailer or  
14 its authorized representative with which such subsequent  
15 specific orders are received (rather than the place where the  
16 seller signed the master contract) will determine the sales  
17 location with respect to such orders, or (5) in those  
18 situations where the order for the purchase of tangible  
19 personal property is received by the retailer or its authorized  
20 representative, and, prior to final acceptance of the order by  
21 the retailer or its authorized representative, the ordered  
22 tangible personal property is delivered or shipped from the  
23 inventory of the retailer at a location in this State, then the  
24 sales location shall be the retailer's or its authorized  
25 representative's office location in this State where the  
26 purchase order for such tangible personal property is first



1 received or if such order is first received at an office  
2 location outside the State then the sales location shall be the  
3 inventory location from which the tangible personal property  
4 was shipped or delivered, or (6) in those situations where the  
5 order for the purchase of tangible personal property is first  
6 received by the retailer, or placed by the purchaser, at a  
7 retailer's retail sales location and both the immediate payment  
8 for the sale occurs at that location and the delivery or  
9 shipment of the property occurs from that location, then that  
10 retail sales location shall be deemed the sales location for  
11 that sale.

12 (c-6) The changes made by this amendatory Act of the 97th  
13 General Assembly shall be effective upon becoming law, and for  
14 past periods not yet closed by any applicable limitations  
15 period, a retailer may apply the changes made to this Section  
16 by this amendatory Act of the 97th General Assembly in the  
17 allocation of its past sales but only to the extent it does not  
18 change the retailer's previous filing location for such sales.

19 (d) Notwithstanding subsection (c-5) of this Section, for  
20 ~~For~~ the purpose of determining the local governmental unit  
21 whose tax is applicable, a retail sale by a producer of coal or  
22 another mineral mined in Illinois is a sale at retail at the  
23 place where the coal or other mineral mined in Illinois is  
24 extracted from the earth. With respect to minerals (i) the term  
25 "extracted from the earth" means the location at which the coal  
26 or other mineral is extracted from the mouth of the mine, and

1 (ii) a "mineral" includes not only coal, but also oil, sand,  
2 stone taken from a quarry, gravel and any other thing commonly  
3 regarded as a mineral and extracted from the earth. This  
4 paragraph does not apply to coal or another mineral when it is  
5 delivered or shipped by the seller to the purchaser at a point  
6 outside Illinois so that the sale is exempt under the United  
7 States Constitution as a sale in interstate or foreign  
8 commerce.

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

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

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

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

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

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

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

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

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

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

18 (55 ILCS 5/5-1006.7)

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

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

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

6 This additional tax may not be imposed on the sale of food  
7 for human consumption that is to be consumed off the premises  
8 where it is sold (other than alcoholic beverages, soft drinks,  
9 and food that has been prepared for immediate consumption) and  
10 prescription and non-prescription medicines, drugs, medical  
11 appliances and insulin, urine testing materials, syringes and  
12 needles used by diabetics. The Department of Revenue 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. The Department shall deposit all taxes  
19 and penalties collected under this subsection into a special  
20 fund created for that purpose.

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

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

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

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

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

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

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

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

1 2d, 3 through 3-50 (in respect to all provisions contained in  
2 those Sections other than the State rate of tax), 4 (except  
3 that the reference to the State shall be to the county), 5, 7,  
4 8 (except that the jurisdiction to which the tax is a debt to  
5 the extent indicated in that Section 8 is the county), 9  
6 (except as to the disposition of taxes and penalties  
7 collected), 10, 11, 12 (except the reference therein to Section  
8 2b of the Retailers' Occupation Tax Act), 13 (except that any  
9 reference to the State means the county), Section 15, 16, 17,  
10 18, 19, and 20 of the Service Occupation Tax Act and all  
11 provisions of the Uniform Penalty and Interest Act, as fully as  
12 if those 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 may be stated in combination, in a  
17 single amount, with State tax that servicemen are authorized to  
18 collect under the Service Use Tax Act, pursuant to any  
19 bracketed schedules set forth by the Department.

20 (c) The tax under this Section may not be imposed until, by  
21 ordinance or resolution of the county board, the question of  
22 imposing the tax has been submitted to the electors of the  
23 county at a regular election and approved by a majority of the  
24 electors voting on the question. Upon a resolution by the  
25 county board or a resolution by school district boards that  
26 represent at least 51% of the student enrollment within the



1 county, the county board must certify the question to the  
2 proper election authority in accordance with the Election Code.

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

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

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

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

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

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

24 On or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 disbursement of stated sums of money to the regional

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

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

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

14           (d-5) In allocating or sourcing any municipal, county,  
15 special district, or other local retailers' occupation tax or  
16 the local share of the State's retailers' occupation tax for  
17 sales occurring in this State, the sales location for such  
18 allocation or sourcing purposes shall be the office location  
19 that the order for the purchase of the tangible personal  
20 property is accepted by the retailer or its authorized  
21 representative, except as provided in the next paragraph. In  
22 determining the acceptance location for a sale, the office the  
23 order is first received by the retailer or its authorized  
24 representative shall be deemed the acceptance location, unless  
25 clearly proven otherwise by the retailer that the final event  
26 or activity giving rise to the retailer's acceptance of, or the

1 binding contract for, such sale occurred at a different office  
2 location. In applying this subsection (d-5), if the order is  
3 received by electronic means, including but not limited to  
4 e-mail and facsimile transmission, and the first electronic  
5 receipt of the order is not addressed to or otherwise  
6 identified with a specific office location of the retailer or  
7 its authorized representative, then the order shall be deemed  
8 first received at the office location of the retailer or its  
9 authorized representative to which the addressee of the  
10 electronic order is primarily assigned or stationed, but in the  
11 event such addressee has no identifiable office location then  
12 the order shall be deemed first received at the office location  
13 that first records the receipt of such electronic order. For  
14 purposes of this subsection (d-5), the term "order" means the  
15 request (in writing, orally or electronically) by the purchaser  
16 to buy tangible personal property and the term "office  
17 location" means a structure, or part of a structure, held out  
18 to the public as being an office of the retailer or its  
19 authorized representative, where at least one individual  
20 performs authorized services for the retailer or its authorized  
21 representative with respect to the purchase of tangible  
22 personal property from the retailer and the services relate in  
23 some fashion to the overall order processing or sales approval  
24 process, including, but not limited to, order input, order  
25 review, credit review, credit approval, order acceptance, or  
26 order rejection. Neither the delivery location nor the location

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

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

1 stop by the purchaser, then for such contracts the sales  
2 location shall be the office location that the retailer or its  
3 authorized representative receives the initial order under  
4 such contract, provided that if such contract is a written  
5 contract not requiring a separate initial order to start the  
6 continuous supply process, then in such a situation the sales  
7 location shall be the office location that the retailer or its  
8 authorized representative signed the contract, or (4) for sales  
9 accepted in Illinois under a long-term blanket or master  
10 contract which (though definite as to price and quantity) must  
11 be implemented by the purchaser's placing of specific orders  
12 when goods are wanted, the office location of the retailer or  
13 its authorized representative with which such subsequent  
14 specific orders are received (rather than the place where the  
15 seller signed the master contract) will determine the sales  
16 location with respect to such orders, or (5) in those  
17 situations where the order for the purchase of tangible  
18 personal property is received by the retailer or its authorized  
19 representative, and, prior to final acceptance of the order by  
20 the retailer or its authorized representative, the ordered  
21 tangible personal property is delivered or shipped from the  
22 inventory of the retailer at a location in this State, then the  
23 sales location shall be the retailer's or its authorized  
24 representative's office location in this State where the  
25 purchase order for such tangible personal property is first  
26 received or if such order is first received at an office

1 location outside the State then the sales location shall be the  
2 inventory location from which the tangible personal property  
3 was shipped or delivered, or (6) in those situations where the  
4 order for the purchase of tangible personal property is first  
5 received by the retailer, or placed by the purchaser, at a  
6 retailer's retail sales location and both the immediate payment  
7 for the sale occurs at that location and the delivery or  
8 shipment of the property occurs from that location, then that  
9 retail sales location shall be deemed the sales location for  
10 that sale.

11 (d-6) The changes made by this amendatory Act of the 97th  
12 General Assembly shall be effective upon becoming law, and for  
13 past periods not yet closed by any applicable limitations  
14 period, a retailer may apply the changes made to this Section  
15 by this amendatory Act of the 97th General Assembly in the  
16 allocation of its past sales but only to the extent it does not  
17 change the retailer's previous filing location for such sales.

18 (e) Notwithstanding subsection (d-5) of this Section, for  
19 ~~For~~ the purposes of determining the local governmental unit  
20 whose tax is applicable, a retail sale by a producer of coal or  
21 another mineral mined in Illinois is a sale at retail at the  
22 place where the coal or other mineral mined in Illinois is  
23 extracted from the earth. With respect to minerals (i) the term  
24 "extracted from the earth" means the location at which the coal  
25 or other mineral is extracted from the mouth of the mine, and  
26 (ii) a "mineral" includes not only coal, but also oil, sand,

1 stone taken from a quarry, gravel and any other thing commonly  
2 regarded as a mineral and extracted from the earth. This  
3 subsection does not apply to coal or another mineral when it is  
4 delivered or shipped by the seller to the purchaser at a point  
5 outside Illinois so that the sale is exempt under the United  
6 States Constitution as a sale in interstate or foreign  
7 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 5/5-1008.5)

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

3 (a) The Rock Island County Board may adopt a resolution  
4 that authorizes a referendum on the question of whether the  
5 county shall be authorized to impose a retailers' occupation  
6 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
7 1% on behalf of the economic development activities of Rock  
8 Island County and communities located within the county. The  
9 county board shall certify the question to the proper election  
10 authorities who shall submit the question to the voters of the  
11 county at the next regularly scheduled election in accordance  
12 with the general election law. The question shall be in  
13 substantially the following form:

14 Shall Rock Island County be authorized to impose a  
15 retailers' occupation tax, a service occupation tax, and a  
16 use tax at the rate of 1/4 of 1% for the sole purpose of  
17 economic development activities, including creation and  
18 retention of job opportunities, support of affordable  
19 housing opportunities, and enhancement of quality of life  
20 improvements?

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

24 (b) The county shall impose the retailers' occupation tax  
25 upon all persons engaged in the business of selling tangible  
26 personal property at retail in the county, at the rate approved

1 by referendum, on the gross receipts from the sales made in the  
2 course of those businesses within the county. This additional  
3 tax may not be imposed on the sale of food for human  
4 consumption that is to be consumed off the premises where it is  
5 sold (other than alcoholic beverages, soft drinks, and food  
6 that 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 under this Section  
10 and all civil penalties that may be assessed as an incident of  
11 the tax shall be collected and enforced by the Department of  
12 Revenue. The Department has full power to administer and  
13 enforce this Section; to collect all taxes and penalties so  
14 collected in the manner provided in this Section; and to  
15 determine all rights to credit memoranda arising on account of  
16 the erroneous payment of tax or penalty under this Section. In  
17 the administration of, and compliance with, this Section, the  
18 Department and persons who are subject to this Section shall  
19 (i) have the same rights, remedies, privileges, immunities,  
20 powers and duties, (ii) be subject to the same conditions,  
21 restrictions, limitations, penalties, exclusions, exemptions,  
22 and definitions of terms, and (iii) employ the same modes of  
23 procedure as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
24 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to  
25 all provisions other than the State rate of tax), 2-15 through  
26 2-70, 2a, 2b, 2c, 3 (except as to the disposition of taxes and

1 penalties collected and provisions related to quarter monthly  
2 payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,  
3 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'  
4 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
5 Interest Act, as fully as if those provisions were set forth in  
6 this subsection.

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

13 Whenever the Department determines that a refund should be  
14 made under this subsection to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant 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 tax fund referenced under paragraph (g) of  
20 this Section.

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

24 Notwithstanding subsection (h-5) of this Section, for ~~For~~  
25 the purpose of determining whether a tax authorized under this  
26 Section is applicable, a retail sale, by a producer of coal or

1 another 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. With respect to minerals (i) the term  
4 "extracted from the earth" means the location at which the coal  
5 or other mineral is extracted from the mouth of the mine, and  
6 (ii) a "mineral" includes not only coal, but also oil, sand,  
7 stone taken from a quarry, gravel and any other thing commonly  
8 regarded as a mineral and extracted from the earth. This  
9 paragraph does not apply to coal or another mineral when it is  
10 delivered or shipped by the seller to the purchaser at a point  
11 outside Illinois so that the sale is exempt under the federal  
12 Constitution as a sale in interstate or foreign commerce.

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

17 (c) If a tax has been imposed under subsection (b), a  
18 service occupation tax shall also be imposed at the same rate  
19 upon all persons engaged, in the county, in the business of  
20 making sales of service, who, as an incident to making those  
21 sales of service, transfer tangible personal property within  
22 the county as an incident to a sale of service. This additional  
23 tax may not be imposed on the sale of food for human  
24 consumption that is to be consumed off the premises where it is  
25 sold (other than alcoholic beverages, soft drinks, and food  
26 that has been prepared for immediate consumption) and

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

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

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

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the warrant 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 tax fund referenced under paragraph (g) of  
23 this Section.

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

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

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



1 title or registration.

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

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 order 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 tax fund referenced under paragraph (g) of  
6 this Section.

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)  
12 of this Section and no additional registration shall be  
13 required. A certificate issued under the Use Tax Act or the  
14 Service Use Tax Act shall be applicable with regard to any tax  
15 imposed under paragraph (c) of this Section.

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

1 filing.

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

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

25 (h-5) In allocating or sourcing any municipal, county,  
26 special district, or other local retailers' occupation tax or

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

1 to buy tangible personal property and the term "office  
2 location" means a structure, or part of a structure, held out  
3 to the public as being an office of the retailer or its  
4 authorized representative, where at least one individual  
5 performs authorized services for the retailer or its authorized  
6 representative with respect to the purchase of tangible  
7 personal property from the retailer and the services relate in  
8 some fashion to the overall order processing or sales approval  
9 process, including, but not limited to, order input, order  
10 review, credit review, credit approval, order acceptance, or  
11 order rejection. Neither the delivery location nor the location  
12 of the acceptance of the tangible personal property by the  
13 purchaser (either before or after inspection or installation)  
14 shall determine the sales location for allocation or sourcing  
15 purposes under this Section.

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

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

1 location with respect to such orders, or (5) in those  
2 situations where the order for the purchase of tangible  
3 personal property is received by the retailer or its authorized  
4 representative, and, prior to final acceptance of the order by  
5 the retailer or its authorized representative, the ordered  
6 tangible personal property is delivered or shipped from the  
7 inventory of the retailer at a location in this State, then the  
8 sales location shall be the retailer's or its authorized  
9 representative's office location in this State where the  
10 purchase order for such tangible personal property is first  
11 received or if such order is first received at an office  
12 location outside the State then the sales location shall be the  
13 inventory location from which the tangible personal property  
14 was shipped or delivered, or (6) in those situations where the  
15 order for the purchase of tangible personal property is first  
16 received by the retailer, or placed by the purchaser, at a  
17 retailer's retail sales location and both the immediate payment  
18 for the sale occurs at that location and the delivery or  
19 shipment of the property occurs from that location, then that  
20 retail sales location shall be deemed the sales location for  
21 that sale.

22 (h-6) The changes made by this amendatory Act of the 97th  
23 General Assembly shall be effective upon becoming law, and for  
24 past periods not yet closed by any applicable limitations  
25 period, a retailer may apply the changes made to this Section  
26 by this amendatory Act of the 97th General Assembly in the

1 allocation of its past sales but only to the extent it does not  
2 change the retailer's previous filing location for such sales.

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

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

6 Section 15. The Illinois Municipal Code is amended by  
7 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

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

9 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
10 Act. The corporate authorities of a home rule municipality may  
11 impose a tax upon all persons engaged in the business of  
12 selling tangible personal property, other than an item of  
13 tangible personal property titled or registered with an agency  
14 of this State's government, at retail in the municipality on  
15 the gross receipts from these sales made in the course of such  
16 business. If imposed, the tax shall only be imposed in 1/4%  
17 increments. On and after September 1, 1991, this additional tax  
18 may not be imposed on the sales of food for human consumption  
19 that is to be consumed off the premises where it is sold (other  
20 than alcoholic beverages, soft drinks and food that has been  
21 prepared for immediate consumption) and prescription and  
22 nonprescription medicines, drugs, medical appliances and  
23 insulin, urine testing materials, syringes and needles used by  
24 diabetics. The tax imposed by a home rule municipality under



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

6 Persons subject to any tax imposed under the authority  
7 granted in this Section may reimburse themselves for their  
8 seller's tax liability hereunder by separately stating that tax  
9 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 municipal retailers' occupation  
20 tax fund.

21 The Department shall immediately 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 retailers have paid  
11 taxes or penalties hereunder to the Department during the  
12 second preceding calendar month. The amount to be paid to each  
13 municipality shall be the amount (not including credit  
14 memoranda) collected hereunder during the second preceding  
15 calendar month by the Department plus an amount the Department  
16 determines is necessary to offset any amounts that were  
17 erroneously paid to a different taxing body, and not including  
18 an amount equal to the amount of refunds made during the second  
19 preceding calendar month by the Department on behalf of such  
20 municipality, and not including any amount that the Department  
21 determines is necessary to offset any amounts that were payable  
22 to a different taxing body but were erroneously paid to the  
23 municipality, and not including any amounts that are  
24 transferred to the STAR Bonds Revenue Fund. Within 10 days  
25 after receipt by the Comptroller of the disbursement  
26 certification to the municipalities provided for in this

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

5 In addition to the disbursement required by the preceding  
6 paragraph and in order to mitigate delays caused by  
7 distribution procedures, an allocation shall, if requested, be  
8 made within 10 days after January 14, 1991, and in November of  
9 1991 and each year thereafter, to each municipality that  
10 received more than \$500,000 during the preceding fiscal year,  
11 (July 1 through June 30) whether collected by the municipality  
12 or disbursed by the Department as required by this Section.  
13 Within 10 days after January 14, 1991, participating  
14 municipalities shall notify the Department in writing of their  
15 intent to participate. In addition, for the initial  
16 distribution, participating municipalities shall certify to  
17 the Department the amounts collected by the municipality for  
18 each month under its home rule occupation and service  
19 occupation tax during the period July 1, 1989 through June 30,  
20 1990. The allocation within 10 days after January 14, 1991,  
21 shall be in an amount equal to the monthly average of these  
22 amounts, excluding the 2 months of highest receipts. The  
23 monthly average for the period of July 1, 1990 through June 30,  
24 1991 will be determined as follows: the amounts collected by  
25 the municipality under its home rule occupation and service  
26 occupation tax during the period of July 1, 1990 through

1 September 30, 1990, plus amounts collected by the Department  
2 and paid to such municipality through June 30, 1991, excluding  
3 the 2 months of highest receipts. The monthly average for each  
4 subsequent period of July 1 through June 30 shall be an amount  
5 equal to the monthly distribution made to each such  
6 municipality under the preceding paragraph during this period,  
7 excluding the 2 months of highest receipts. The distribution  
8 made in November 1991 and each year thereafter under this  
9 paragraph and the preceding paragraph shall be reduced by the  
10 amount allocated and disbursed under this paragraph in the  
11 preceding period of July 1 through June 30. The Department  
12 shall prepare and certify to the Comptroller for disbursement  
13 the allocations made in accordance with this paragraph.

14 In allocating or sourcing any municipal, county, special  
15 district, or other local retailers' occupation tax or the local  
16 share of the State's retailers' occupation tax for sales  
17 occurring in this State, the sales location for such allocation  
18 or sourcing purposes shall be 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 and the next paragraph, if  
3 the order is received by electronic means, including but not  
4 limited to e-mail and facsimile transmission, and the first  
5 electronic receipt of the order is not addressed to or  
6 otherwise identified with a specific office location of the  
7 retailer or its authorized representative, then the order shall  
8 be deemed first received at the office location of the retailer  
9 or its authorized representative to which the addressee of the  
10 electronic order is primarily assigned or stationed, but in the  
11 event such addressee has no identifiable office location then  
12 the order shall be deemed first received at the office location  
13 that 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 and the term "office location" means a structure, or  
18 part of a structure, held out to the public as being an office  
19 of the retailer or its authorized representative, where at  
20 least one individual performs authorized services for the  
21 retailer or its authorized representative with respect to the  
22 purchase of tangible personal property from the retailer and  
23 the services relate in some fashion to the overall order  
24 processing or sales approval process, including, but not  
25 limited to, order input, order review, credit review, credit  
26 approval, order acceptance, or order rejection. Neither the

1 delivery location nor the location of the acceptance of the  
2 tangible personal property by the purchaser (either before or  
3 after inspection or installation) shall determine the sales  
4 location for allocation or sourcing purposes under this  
5 Section.

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

1 property to a purchaser on a continuous basis until notified to  
2 stop by the purchaser, then for such contracts the sales  
3 location shall be the office location that the retailer or its  
4 authorized representative receives the initial order under  
5 such contract, provided that if such contract is a written  
6 contract not requiring a separate initial order to start the  
7 continuous supply process, then in such a situation the sales  
8 location shall be the office location that the retailer or its  
9 authorized representative signed the contract, or (4) for sales  
10 accepted in Illinois under a long-term blanket or master  
11 contract which (though definite as to price and quantity) must  
12 be implemented by the purchaser's placing of specific orders  
13 when goods are wanted, the office location of the retailer or  
14 its authorized representative with which such subsequent  
15 specific orders are received (rather than the place where the  
16 seller signed the master contract) will determine the sales  
17 location with respect to such orders, or (5) in those  
18 situations where the order for the purchase of tangible  
19 personal property is received by the retailer or its authorized  
20 representative, and, prior to final acceptance of the order by  
21 the retailer or its authorized representative, the ordered  
22 tangible personal property is delivered or shipped from the  
23 inventory of the retailer at a location in this State, then the  
24 sales location shall be the retailer's or its authorized  
25 representative's office location in this State where the  
26 purchase order for such tangible personal property is first



1 received or if such order is first received at an office  
2 location outside the State then the sales location shall be the  
3 inventory location from which the tangible personal property  
4 was shipped or delivered, or (6) in those situations where the  
5 order for the purchase of tangible personal property is first  
6 received by the retailer, or placed by the purchaser, at a  
7 retailer's retail sales location and both the immediate payment  
8 for the sale occurs at that location and the delivery or  
9 shipment of the property occurs from that location, then that  
10 retail sales location shall be deemed the sales location for  
11 that sale.

12 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
13 purpose of determining the local governmental unit whose tax is  
14 applicable, a retail sale by a producer of coal or other  
15 mineral mined in Illinois is a sale at retail at the place  
16 where the coal or other mineral mined in Illinois is extracted  
17 from the earth. With respect to minerals (i) the term  
18 "extracted from the earth" means the location at which the coal  
19 or other mineral is extracted from the mouth of the mine, and  
20 (ii) a "mineral" includes not only coal, but also oil, sand,  
21 stone taken from a quarry, gravel and any other thing commonly  
22 regarded as a mineral and extracted from the earth. This  
23 paragraph does not apply to coal or other mineral when it is  
24 delivered or shipped by the seller to the purchaser at a point  
25 outside Illinois so that the sale is exempt under the United  
26 States Constitution as a sale in interstate or foreign

1 commerce.

2 The changes made by this amendatory Act of the 97th General  
3 Assembly shall be effective upon becoming law, and for past  
4 periods not yet closed by any applicable limitations period, a  
5 retailer may apply the changes made to this Section by this  
6 amendatory Act of the 97th General Assembly 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 Nothing in this Section shall be construed to authorize a  
10 municipality to impose a tax upon the privilege of engaging in  
11 any business which under the Constitution of the United States  
12 may not be made the subject of taxation by this State.

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

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

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

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

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

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

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

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

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

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

1 Occupation Tax Act. The corporate authorities of a non-home  
2 rule municipality may impose a tax upon all persons engaged in  
3 the business of selling tangible personal property, other than  
4 on an item of tangible personal property which is titled and  
5 registered by an agency of this State's Government, at retail  
6 in the municipality for expenditure on public infrastructure or  
7 for property tax relief or both as defined in Section 8-11-1.2  
8 if approved by referendum as provided in Section 8-11-1.1, of  
9 the gross receipts from such sales made in the course of such  
10 business. If the tax is approved by referendum on or after July  
11 14, 2010 (the effective date of Public Act 96-1057) ~~this~~  
12 ~~amendatory Act of the 96th General Assembly~~, the corporate  
13 authorities of a non-home rule municipality may, until December  
14 31, 2015, use the proceeds of the tax for expenditure on  
15 municipal operations, in addition to or in lieu of any  
16 expenditure on public infrastructure or for property tax  
17 relief. The tax imposed may not be more than 1% and may be  
18 imposed only in 1/4% increments. The tax may not be imposed on  
19 the sale of food for human consumption that is to be consumed  
20 off the premises where it is sold (other than alcoholic  
21 beverages, soft drinks, and food that has been prepared for  
22 immediate consumption) and prescription and nonprescription  
23 medicines, drugs, medical appliances, and insulin, urine  
24 testing materials, syringes, and needles used by diabetics. The  
25 tax imposed by a municipality pursuant to this Section and all  
26 civil penalties that may be assessed as an incident thereof

1 shall be collected and enforced by the State Department of  
2 Revenue. The certificate of registration which is issued by the  
3 Department to a retailer under the Retailers' Occupation Tax  
4 Act shall permit such retailer to engage in a business which is  
5 taxable under any ordinance or resolution enacted pursuant to  
6 this Section without registering separately with the  
7 Department under such ordinance or resolution or under this  
8 Section. The Department shall have full power to administer and  
9 enforce this Section; 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  
13 of tax or penalty hereunder. In the administration of, and  
14 compliance with, this Section, the Department and persons who  
15 are subject to this Section shall have the same rights,  
16 remedies, privileges, immunities, powers and duties, and be  
17 subject to the same conditions, restrictions, limitations,  
18 penalties and definitions of terms, and employ the same modes  
19 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 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 as  
26 if those provisions were set forth herein.

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

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

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

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

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

1 Development and Economy Act, collected under this Section  
2 during the second preceding calendar month for sales within a  
3 STAR bond district.

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



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

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

1 the order shall be deemed first received at the office location  
2 that first records the receipt of such electronic order. For  
3 purposes of this paragraph and the next paragraph, the term  
4 "order" means the request (in writing, orally or  
5 electronically) by the purchaser to buy tangible personal  
6 property and the term "office location" means a structure, or  
7 part of a structure, held out to the public as being an office  
8 of the retailer or its authorized representative, where at  
9 least one individual performs authorized services for the  
10 retailer or its authorized representative with respect to the  
11 purchase of tangible personal property from the retailer and  
12 the services relate in some fashion to the overall order  
13 processing or sales approval process, including, but not  
14 limited to, order input, order review, credit review, credit  
15 approval, order acceptance, or order rejection. Neither the  
16 delivery location nor the location of the acceptance of the  
17 tangible personal property by the purchaser (either before or  
18 after inspection or installation) shall determine the sales  
19 location for allocation or sourcing purposes under this  
20 Section.

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

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

1 be implemented by the purchaser's placing of specific orders  
2 when goods are wanted, the office location of the retailer or  
3 its authorized representative with which such subsequent  
4 specific orders are received (rather than the place where the  
5 seller signed the master contract) will determine the sales  
6 location with respect to such orders, or (5) in those  
7 situations where the order for the purchase of tangible  
8 personal property is received by the retailer or its authorized  
9 representative, and, prior to final acceptance of the order by  
10 the retailer or its authorized representative, the ordered  
11 tangible personal property is delivered or shipped from the  
12 inventory of the retailer at a location in this State, then the  
13 sales location shall be the retailer's or its authorized  
14 representative's office location in this State where the  
15 purchase order for such tangible personal property is first  
16 received or if such order is first received at an office  
17 location outside the State then the sales location shall be the  
18 inventory location from which the tangible personal property  
19 was shipped or delivered, or (6) in those situations where the  
20 order for the purchase of tangible personal property is first  
21 received by the retailer, or placed by the purchaser, at a  
22 retailer's retail sales location and both the immediate payment  
23 for the sale occurs at that location and the delivery or  
24 shipment of the property occurs from that location, then that  
25 retail sales location shall be deemed the sales location for  
26 that sale.

1        Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
2 purpose of determining the local governmental unit whose tax is  
3 applicable, a retail sale, by a producer of coal or other  
4 mineral mined in Illinois, is a sale at retail at the place  
5 where the coal or other mineral mined in Illinois is extracted  
6 from the earth. With respect to minerals (i) the term  
7 "extracted from the earth" means the location at which the coal  
8 or other mineral is extracted from the mouth of the mine, and  
9 (ii) a "mineral" includes not only coal, but also oil, sand,  
10 stone taken from a quarry, gravel and any other thing commonly  
11 regarded as a mineral and extracted from the earth. This  
12 paragraph does not apply to coal or other mineral when it is  
13 delivered or shipped by the seller to the purchaser at a point  
14 outside Illinois so that the sale is exempt under the Federal  
15 Constitution as a sale in interstate or foreign commerce.

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

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

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

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

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

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

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

17           (65 ILCS 5/8-11-1.6)

18           Sec. 8-11-1.6. Non-home rule municipal retailers  
19 occupation tax; municipalities between 20,000 and 25,000. The  
20 corporate authorities of a non-home rule municipality with a  
21 population of more than 20,000 but less than 25,000 that has,  
22 prior to January 1, 1987, established a Redevelopment Project  
23 Area that has been certified as a State Sales Tax Boundary and  
24 has issued bonds or otherwise incurred indebtedness to pay for  
25 costs in excess of \$5,000,000, which is secured in part by a

1 tax increment allocation fund, in accordance with the  
2 provisions of Division 11-74.4 of this Code may, by passage of  
3 an ordinance, impose a tax upon all persons engaged in the  
4 business of selling tangible personal property, other than on  
5 an item of tangible personal property that is titled and  
6 registered by an agency of this State's Government, at retail  
7 in the municipality. This tax may not be imposed on the sales  
8 of food for human consumption that is to be consumed off the  
9 premises where it is sold (other than alcoholic beverages, soft  
10 drinks, and food that has been prepared for immediate  
11 consumption) and prescription and nonprescription medicines,  
12 drugs, medical appliances and insulin, urine testing  
13 materials, syringes, and needles used by diabetics. If imposed,  
14 the tax shall only be imposed in .25% increments of the gross  
15 receipts from such sales made in the course of business. Any  
16 tax imposed by a municipality under this Sec. 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. An  
19 ordinance imposing a tax hereunder or effecting a change in the  
20 rate thereof shall be adopted and a certified copy thereof  
21 filed with the Department on or before the first day of  
22 October, whereupon the Department shall proceed to administer  
23 and enforce this Section as of the first day of January next  
24 following such adoption and filing. The certificate of  
25 registration that is issued by the Department to a retailer  
26 under the Retailers' Occupation Tax Act shall permit the

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

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



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 tax which sellers  
6 are required to collect under the Use Tax Act, pursuant to such  
7 bracket schedules as 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 order 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 Non-Home Rule Municipal Retailers'  
15 Occupation Tax Fund, which is hereby created.

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

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.

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

26           In allocating or sourcing any municipal, county, special

1 district, or other local retailers' occupation tax or the local  
2 share of the State's retailers' occupation tax for sales  
3 occurring in this State, the sales location for such allocation  
4 or sourcing purposes shall be 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 and the next paragraph, if  
15 the order is received by electronic means, including but not  
16 limited to e-mail and facsimile transmission, and the first  
17 electronic receipt of the order is not addressed to or  
18 otherwise identified with a specific office location of the  
19 retailer or its authorized representative, then the order shall  
20 be deemed first received at the office location of the retailer  
21 or its authorized representative to which the addressee of the  
22 electronic order is primarily assigned or stationed, but in the  
23 event such addressee has no identifiable office location then  
24 the order shall be deemed first received at the office location  
25 that 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 and the term "office location" means a structure, or  
4 part of a structure, held out to the public as being an office  
5 of the retailer or its authorized representative, where at  
6 least one individual performs authorized services for the  
7 retailer or its authorized representative with respect to the  
8 purchase of tangible personal property from the retailer and  
9 the services relate in some fashion to the overall order  
10 processing or sales approval process, including, but not  
11 limited to, order input, order review, credit review, credit  
12 approval, order acceptance, or order rejection. Neither the  
13 delivery location nor the location of the acceptance of the  
14 tangible personal property by the purchaser (either before or  
15 after inspection or installation) shall determine the sales  
16 location for allocation or sourcing purposes under this  
17 Section.

18 Notwithstanding anything to the contrary in the preceding  
19 paragraph, the sales location for the allocation or sourcing of  
20 any municipal, county, special district, or other local  
21 retailers' occupation tax or the local share of the State's  
22 retailers' occupation tax shall be as follows: (1) in the event  
23 the acceptance of the order by the retailer occurs outside of  
24 the State (whether or not the receipt of the order occurs  
25 within the State), then in those situations the sales location  
26 shall be deemed outside of the State, and no local sourcing of

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

1 specific orders are received (rather than the place where the  
2 seller signed the master contract) will determine the sales  
3 location with respect to such orders, or (5) in those  
4 situations where the order for the purchase of tangible  
5 personal property is received by the retailer or its authorized  
6 representative, and, prior to final acceptance of the order by  
7 the retailer or its authorized representative, the ordered  
8 tangible personal property is delivered or shipped from the  
9 inventory of the retailer at a location in this State, then the  
10 sales location shall be the retailer's or its authorized  
11 representative's office location in this State where the  
12 purchase order for such tangible personal property is first  
13 received or if such order is first received at an office  
14 location outside the State then the sales location shall be the  
15 inventory location from which the tangible personal property  
16 was shipped or delivered, or (6) in those situations where the  
17 order for the purchase of tangible personal property is first  
18 received by the retailer, or placed by the purchaser, at a  
19 retailer's retail sales location and both the immediate payment  
20 for the sale occurs at that location and the delivery or  
21 shipment of the property occurs from that location, then that  
22 retail sales location shall be deemed the sales location for  
23 that sale.

24 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
25 purpose of determining the local governmental unit whose tax is  
26 applicable, a retail sale by a producer of coal or other

1 mineral mined in Illinois is a sale at retail at the place  
2 where the coal or other mineral mined in Illinois is extracted  
3 from the earth. With respect to minerals (i) the term  
4 "extracted from the earth" means the location at which the coal  
5 or other mineral is extracted from the mouth of the mine, and  
6 (ii) a "mineral" includes not only coal, but also oil, sand,  
7 stone taken from a quarry, gravel and any other thing commonly  
8 regarded as a mineral and extracted from the earth. This  
9 paragraph does not apply to coal or other mineral when it is  
10 delivered or shipped by the seller to the purchaser at a point  
11 outside Illinois so that the sale is exempt under the federal  
12 Constitution as a sale in interstate or foreign commerce.

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

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

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

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

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

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

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

10 (70 ILCS 200/245-12)

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

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

22 "Shall the Salem Civic Center Authority be authorized to  
23 impose a retailers' occupation tax, a service occupation  
24 tax, and a use tax at the rate of (rate) for the sole



1           purpose of obtaining funds for the support, construction,  
2           maintenance, or financing of a facility of the Authority?"

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

6           (b) The Authority shall impose the retailers' occupation  
7           tax upon all persons engaged in the business of selling  
8           tangible personal property at retail in the metropolitan area,  
9           at the rate approved by referendum, on the gross receipts from  
10          the sales made in the course of such business within the  
11          metropolitan area. The tax imposed under this Section and all  
12          civil penalties that may be assessed as an incident thereof  
13          shall be collected and enforced by the Department of Revenue.  
14          The Department has full power to administer and enforce this  
15          Section; to collect all taxes and penalties so collected in the  
16          manner provided in this Section; and to determine all rights to  
17          credit memoranda arising on account of the erroneous payment of  
18          tax or penalty hereunder. In the administration of, and  
19          compliance with, this Section, the Department and persons who  
20          are subject to this Section shall (i) have the same rights,  
21          remedies, privileges, immunities, powers and duties, (ii) be  
22          subject to the same conditions, restrictions, limitations,  
23          penalties, exclusions, exemptions, and definitions of terms,  
24          and (iii) employ the same modes of procedure as are prescribed  
25          in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,  
26          2-5, 2-5.5, 2-10 (in respect to all provisions therein other

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

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

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

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

25 In allocating or sourcing any municipal, county, special  
26 district, or other local retailers' occupation tax or the local

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

1 electronically) by the purchaser to buy tangible personal  
2 property and the term "office location" means a structure, or  
3 part of a structure, held out to the public as being an office  
4 of the retailer or its authorized representative, where at  
5 least one individual performs authorized services for the  
6 retailer or its authorized representative with respect to the  
7 purchase of tangible personal property from the retailer and  
8 the services relate in some fashion to the overall order  
9 processing or sales approval process, including, but not  
10 limited to, order input, order review, credit review, credit  
11 approval, order acceptance, or order rejection. Neither the  
12 delivery location nor the location of the acceptance of the  
13 tangible personal property by the purchaser (either before or  
14 after inspection or installation) shall determine the sales  
15 location for allocation or sourcing purposes under this  
16 Section.

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

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

1 seller signed the master contract) will determine the sales  
2 location with respect to such orders, or (5) in those  
3 situations where the order for the purchase of tangible  
4 personal property is received by the retailer or its authorized  
5 representative, and, prior to final acceptance of the order by  
6 the retailer or its authorized representative, the ordered  
7 tangible personal property is delivered or shipped from the  
8 inventory of the retailer at a location in this State, then the  
9 sales location shall be the retailer's or its authorized  
10 representative's office location in this State where the  
11 purchase order for such tangible personal property is first  
12 received or if such order is first received at an office  
13 location outside the State then the sales location shall be the  
14 inventory location from which the tangible personal property  
15 was shipped or delivered, or (6) in those situations where the  
16 order for the purchase of tangible personal property is first  
17 received by the retailer, or placed by the purchaser, at a  
18 retailer's retail sales location and both the immediate payment  
19 for the sale occurs at that location and the delivery or  
20 shipment of the property occurs from that location, then that  
21 retail sales location shall be deemed the sales location for  
22 that sale.

23 Notwithstanding the preceding 2 paragraphs, for ~~For~~ the  
24 purpose of determining whether a tax authorized under this  
25 Section is applicable, a retail sale, by a producer of coal or  
26 other mineral mined in Illinois, is a sale at retail at the

1 place where the coal or other mineral mined in Illinois is  
2 extracted from the earth. With respect to minerals (i) the term  
3 "extracted from the earth" means the location at which the coal  
4 or other mineral is extracted from the mouth of the mine, and  
5 (ii) a "mineral" includes not only coal, but also oil, sand,  
6 stone taken from a quarry, gravel and any other thing commonly  
7 regarded as a mineral and extracted from the earth. This  
8 paragraph does not apply to coal or other mineral when it is  
9 delivered or shipped by the seller to the purchaser at a point  
10 outside Illinois so that the sale is exempt under the Federal  
11 Constitution as a sale in interstate or foreign commerce.

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

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

23 (c) If a tax has been imposed under subsection (b), a  
24 service occupation tax shall also be imposed at the same rate  
25 upon all persons engaged, in the metropolitan area, in the  
26 business of making sales of service, who, as an incident to

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



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

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

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the warrant 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 tax fund referenced under paragraph (g) of  
23 this Section.

24 Nothing in this subsection ~~paragraph~~ shall be construed to  
25 authorize the Authority to impose a tax upon the privilege of  
26 engaging in any business which under the Constitution of the

1 United States may not be made the subject of taxation by the  
2 State.

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

23 The Department has full power to administer and enforce  
24 this paragraph; to collect all taxes, penalties and interest  
25 due hereunder; to dispose of taxes, penalties and interest so  
26 collected in the manner hereinafter provided; and to determine

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

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

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

21           (g) The Department of Revenue shall, upon collecting any  
22 taxes and penalties as provided in this Section, pay the taxes  
23 and penalties over to the State Treasurer as trustee for the  
24 Authority. The taxes and penalties shall be held in a trust  
25 fund outside the State Treasury. On or before the 25th day of  
26 each calendar month, the Department of Revenue shall prepare

1 and certify to the Comptroller of the State of Illinois the  
2 amount to be paid to the Authority, which shall be the balance  
3 in the fund, less any amount determined by the Department to be  
4 necessary for the payment of refunds. Within 10 days after  
5 receipt by the Comptroller of the certification of the amount  
6 to be paid to the Authority, the Comptroller shall cause an  
7 order to be drawn for payment for the amount in accordance with  
8 the directions contained in the certification. Amounts  
9 received from the tax imposed under this Section shall be used  
10 only for the support, construction, maintenance, or financing  
11 of a facility of the Authority.

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

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

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

21 Section 25. The Metropolitan Pier and Exposition Authority  
22 Act is amended by changing Section 13 as follows:

23 (70 ILCS 210/13) (from Ch. 85, par. 1233)

24 Sec. 13. (a) The Authority shall not have power to levy

1 taxes for any purpose, except as provided in subsections (b),  
2 (c), (d), (e), and (f).

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

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

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

16 Persons subject to any tax imposed under the authority  
17 granted in this subsection may reimburse themselves for their  
18 seller's tax liability under this subsection by separately  
19 stating that tax as an additional charge, which charge may be  
20 stated in combination, in a single amount, with State taxes  
21 that sellers are required to collect under the Use Tax Act,  
22 pursuant to bracket schedules as the Department may prescribe.  
23 The retailer filing the return shall, at the time of filing the  
24 return, pay to the Department the amount of tax imposed under  
25 this subsection, less a discount of 1.75%, which is allowed to  
26 reimburse the retailer for the expenses incurred in keeping

1 records, preparing and filing returns, remitting the tax, and  
2 supplying data to the Department on request.

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

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

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

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

26 A certified copy of any ordinance imposing or discontinuing

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

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

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

23 (2) that portion of the City of Chicago located within  
24 the following area: Beginning at the intersection of West  
25 55th Street with Central Avenue, then east along West 55th  
26 Street to its intersection with South Cicero Avenue, then

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

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

20 The tax authorized to be levied under this subsection may  
21 also be levied on food, alcoholic beverages, and soft drinks  
22 sold on boats and other watercraft departing from and returning  
23 to the shoreline of Lake Michigan (including Navy Pier and all  
24 other improvements fixed to land, docks, or piers) described in  
25 item (3).

26 In allocating or sourcing any municipal, county, special

1 district, or other local retailers' occupation tax or the local  
2 share of the State's retailers' occupation tax for sales  
3 occurring in this State, the sales location for such allocation  
4 or sourcing purposes shall be 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 and the next paragraph, if  
15 the order is received by electronic means, including but not  
16 limited to e-mail and facsimile transmission, and the first  
17 electronic receipt of the order is not addressed to or  
18 otherwise identified with a specific office location of the  
19 retailer or its authorized representative, then the order shall  
20 be deemed first received at the office location of the retailer  
21 or its authorized representative to which the addressee of the  
22 electronic order is primarily assigned or stationed, but in the  
23 event such addressee has no identifiable office location then  
24 the order shall be deemed first received at the office location  
25 that 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 and the term "office location" means a structure, or  
4 part of a structure, held out to the public as being an office  
5 of the retailer or its authorized representative, where at  
6 least one individual performs authorized services for the  
7 retailer or its authorized representative with respect to the  
8 purchase of tangible personal property from the retailer and  
9 the services relate in some fashion to the overall order  
10 processing or sales approval process, including, but not  
11 limited to, order input, order review, credit review, credit  
12 approval, order acceptance, or order rejection. Neither the  
13 delivery location nor the location of the acceptance of the  
14 tangible personal property by the purchaser (either before or  
15 after inspection or installation) shall determine the sales  
16 location for allocation or sourcing purposes under this  
17 Section.

18 Notwithstanding anything to the contrary in the preceding  
19 paragraph, the sales location for the allocation or sourcing of  
20 any municipal, county, special district, or other local  
21 retailers' occupation tax or the local share of the State's  
22 retailers' occupation tax shall be as follows: (1) in the event  
23 the acceptance of the order by the retailer occurs outside of  
24 the State (whether or not the receipt of the order occurs  
25 within the State), then in those situations the sales location  
26 shall be deemed outside of the State, and no local sourcing of

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

1 specific orders are received (rather than the place where the  
2 seller signed the master contract) will determine the sales  
3 location with respect to such orders, or (5) for sales to end  
4 users by a producer of coal or other minerals mined in this  
5 State, the sales location shall be the place where the coal or  
6 other minerals mined in this State is extracted from the earth,  
7 or (6) in those situations where the order for the purchase of  
8 tangible personal property is received by the retailer or its  
9 authorized representative, and, prior to final acceptance of  
10 the order by the retailer or its authorized representative, the  
11 ordered tangible personal property is delivered or shipped from  
12 the inventory of the retailer at a location in this State, then  
13 the sales location shall be the retailer's or its authorized  
14 representative's office location in this State where the  
15 purchase order for such tangible personal property is first  
16 received or if such order is first received at an office  
17 location outside the State then the sales location shall be the  
18 inventory location from which the tangible personal property  
19 was shipped or delivered, or (7) in those situations where the  
20 order for the purchase of tangible personal property is first  
21 received by the retailer, or placed by the purchaser, at a  
22 retailer's retail sales location and both the immediate payment  
23 for the sale occurs at that location and the delivery or  
24 shipment of the property occurs from that location, then that  
25 retail sales location shall be deemed the sales location for  
26 that sale. With respect to minerals (i) the term "extracted

1 from the earth" means the location at which the coal or other  
2 mineral is extracted from the mouth of the mine, and (ii) a  
3 "mineral" includes not only coal, but also oil, sand, stone  
4 taken from a quarry, gravel and any other thing commonly  
5 regarded as a mineral and extracted 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 apply the changes made to this Section by this  
10 amendatory Act of the 97th General Assembly 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 (c) By ordinance the Authority shall, as soon as  
14 practicable after the effective date of this amendatory Act of  
15 1991, impose an occupation tax upon all persons engaged in the  
16 corporate limits of the City of Chicago in the business of  
17 renting, leasing, or letting rooms in a hotel, as defined in  
18 the Hotel Operators' Occupation Tax Act, at a rate of 2.5% of  
19 the gross rental receipts from the renting, leasing, or letting  
20 of hotel rooms within the City of Chicago, excluding, however,  
21 from gross rental receipts the proceeds of renting, leasing, or  
22 letting to permanent residents of a hotel, as defined in that  
23 Act. Gross rental receipts shall not include charges that are  
24 added on account of the liability arising from any tax imposed  
25 by the State or any governmental agency on the occupation of  
26 renting, leasing, or letting rooms in a hotel.



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

26           Whenever the Department determines that a refund should be

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

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

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

25 The Department shall forthwith pay over to the State  
26 Treasurer, ex officio, as trustee for the Authority, all taxes

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

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

21 (d) By ordinance the Authority shall, as soon as  
22 practicable after the effective date of this amendatory Act of  
23 1991, impose a tax upon all persons engaged in the business of  
24 renting automobiles in the metropolitan area at the rate of 6%  
25 of the gross receipts from that business, except that no tax  
26 shall be imposed on the business of renting automobiles for use

1 as taxicabs or in livery service. The tax imposed under this  
2 subsection and all civil penalties that may be assessed as an  
3 incident to that tax shall be collected and enforced by the  
4 Illinois Department of Revenue. The certificate of  
5 registration issued by the Department to a retailer under the  
6 Retailers' Occupation Tax Act or under the Automobile Renting  
7 Occupation and Use Tax Act shall permit that person to engage  
8 in a business that is taxable under any ordinance enacted under  
9 this subsection without registering separately with the  
10 Department under that ordinance or under this subsection. The  
11 Department shall have full power to administer and enforce this  
12 subsection, to collect all taxes and penalties due under this  
13 subsection, to dispose of taxes and penalties so collected in  
14 the manner provided in this subsection, and to determine all  
15 rights to credit memoranda arising on account of the erroneous  
16 payment of tax or penalty under this subsection. In the  
17 administration of and compliance with this subsection, the  
18 Department and persons who are subject to this subsection shall  
19 have the same rights, remedies, privileges, immunities,  
20 powers, and duties, be subject to the same conditions,  
21 restrictions, limitations, penalties, and definitions of  
22 terms, and employ the same modes of procedure as are prescribed  
23 in Sections 2 and 3 (in respect to all provisions of those  
24 Sections other than the State rate of tax; and in respect to  
25 the provisions of the Retailers' Occupation Tax Act referred to  
26 in those Sections, except as to the disposition of taxes and

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

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

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause a warrant 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 Metropolitan Pier and Exposition Authority  
23 trust fund held by the State Treasurer as trustee for the  
24 Authority.

25 The Department shall forthwith pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes and penalties

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

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

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 (e) 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 the privilege of using in the

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

19 The Department shall have full power to administer and  
20 enforce this subsection, to collect all taxes, penalties, and  
21 interest due under this subsection, to dispose of taxes,  
22 penalties, and interest so collected in the manner provided in  
23 this subsection, and to determine all rights to credit  
24 memoranda or refunds arising on account of the erroneous  
25 payment of tax, penalty, or interest under this subsection. In  
26 the administration of and compliance with this subsection, the

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

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 a 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 Metropolitan Pier and Exposition Authority  
24 trust fund held by the State Treasurer as trustee for the  
25 Authority.

26 The Department shall forthwith pay over to the State



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

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

21 (f) By ordinance the Authority shall, as soon as  
22 practicable after the effective date of this amendatory Act of  
23 1991, impose an occupation tax on all persons, other than a  
24 governmental agency, engaged in the business of providing  
25 ground transportation for hire to passengers in the  
26 metropolitan area at a rate of (i) \$4 per taxi or livery

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

18 In the ordinance imposing the tax, the Authority may  
19 provide for the administration and enforcement of the tax and  
20 the collection of the tax from persons subject to the tax as  
21 the Authority determines to be necessary or practicable for the  
22 effective administration of the tax. The Authority may enter  
23 into agreements as it deems appropriate with any governmental  
24 agency providing for that agency to act as the Authority's  
25 agent to collect the tax.

26 In the ordinance imposing the tax, the Authority may

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

9 All taxes, penalties, and interest collected under any  
10 ordinance adopted under this subsection, less any amounts  
11 determined to be necessary for the payment of refunds and less  
12 the taxes, penalties, and interest attributable to any increase  
13 in the rate of tax authorized by Public Act 96-898 ~~this~~  
14 ~~amendatory Act of the 96th General Assembly~~, shall be paid  
15 forthwith to the State Treasurer, ex officio, for deposit into  
16 a trust fund held outside the State Treasury and shall be  
17 administered by the State Treasurer as provided in subsection  
18 (g) of this Section. All taxes, penalties, and interest  
19 attributable to any increase in the rate of tax authorized by  
20 Public Act 96-898 ~~this amendatory Act of the 96th General~~  
21 ~~Assembly~~ shall be paid by the State Treasurer as follows: 25%  
22 for deposit into the Convention Center Support Fund, to be used  
23 by the Village of Rosemont for the repair, maintenance, and  
24 improvement of the Donald E. Stephens Convention Center and for  
25 debt service on debt instruments issued for those purposes by  
26 the village and 75% to the Authority to be used for grants to

1 an organization meeting the qualifications set out in Section  
2 5.6 of this Act, provided the Metropolitan Pier and Exposition  
3 Authority has entered into a marketing agreement with such an  
4 organization.

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

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

14 (2) On July 20 and on the 20th of each month  
15 thereafter, provided that the amount requested in the  
16 annual certificate of the Chairman of the Authority filed  
17 under Section 8.25f of the State Finance Act has been  
18 appropriated for payment to the Authority, 1/8 of the local  
19 tax transfer amount, together with any cumulative  
20 deficiencies in the amounts transferred into the McCormick  
21 Place Expansion Project Fund under this subparagraph (2)  
22 during the fiscal year for which the certificate has been  
23 filed, shall be transferred from the trust fund into the  
24 McCormick Place Expansion Project Fund in the State  
25 treasury until 100% of the local tax transfer amount has  
26 been so transferred. "Local tax transfer amount" shall mean

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

18 (3) On July 20, 2010, the Comptroller shall certify to  
19 the Governor, the Treasurer, and the Chairman of the  
20 Authority the 2010 deficiency amount, which means the  
21 cumulative amount of transfers that were due from the trust  
22 fund to the McCormick Place Expansion Project Fund in  
23 fiscal years 2008, 2009, and 2010 under Section 13(g) of  
24 this Act, as it existed prior to May 27, 2010 (the  
25 effective date of Public Act 96-898) ~~this amendatory Act of~~  
26 ~~the 96th General Assembly~~, but not made. On July 20, 2011

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

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

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

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

1 and notes are no longer outstanding.

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

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

6 (70 ILCS 750/25)

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

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



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

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

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

1 amount with State taxes that sellers are required to collect  
2 under the Use Tax Act, under any bracket schedules the  
3 Department may prescribe.

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

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

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

1 memoranda arising on account of the erroneous payment of tax or  
2 penalty hereunder.

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

24 Persons subject to any tax imposed under the authority  
25 granted in this subsection may reimburse themselves for their  
26 serviceman's tax liability hereunder by separately stating the

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

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

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

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

25 (f) The Department shall immediately pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected under this Section to be deposited into the Flood  
2 Prevention Occupation Tax Fund, which shall be an  
3 unappropriated trust fund held outside the State treasury.

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

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

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

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

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

1 the Flood Prevention Occupation Tax Fund.

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

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

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

26 (j-5) In allocating or sourcing any municipal, county,

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



1 request (in writing, orally or electronically) by the purchaser  
2 to buy tangible personal property and the term "office  
3 location" means a structure, or part of a structure, held out  
4 to the public as being an office of the retailer or its  
5 authorized representative, where at least one individual  
6 performs authorized services for the retailer or its authorized  
7 representative with respect to the purchase of tangible  
8 personal property from the retailer and the services relate in  
9 some fashion to the overall order processing or sales approval  
10 process, including, but not limited to, order input, order  
11 review, credit review, credit approval, order acceptance, or  
12 order rejection. Neither the delivery location nor the location  
13 of the acceptance of the tangible personal property by the  
14 purchaser (either before or after inspection or installation)  
15 shall determine the sales location for allocation or sourcing  
16 purposes under this Section.

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

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

1 seller signed the master contract) will determine the sales  
2 location with respect to such orders, or (5) for sales to end  
3 users by a producer of coal or other minerals mined in this  
4 State, the sales location shall be the place where the coal or  
5 other minerals mined in this State is extracted from the earth,  
6 or (6) in those situations where the order for the purchase of  
7 tangible personal property is received by the retailer or its  
8 authorized representative, and, prior to final acceptance of  
9 the order by the retailer or its authorized representative, the  
10 ordered tangible personal property is delivered or shipped from  
11 the inventory of the retailer at a location in this State, then  
12 the sales location shall be the retailer's or its authorized  
13 representative's office location in this State where the  
14 purchase order for such tangible personal property is first  
15 received or if such order is first received at an office  
16 location outside the State then the sales location shall be the  
17 inventory location from which the tangible personal property  
18 was shipped or delivered, or (7) in those situations where the  
19 order for the purchase of tangible personal property is first  
20 received by the retailer, or placed by the purchaser, at a  
21 retailer's retail sales location and both the immediate payment  
22 for the sale occurs at that location and the delivery or  
23 shipment of the property occurs from that location, then that  
24 retail sales location shall be deemed the sales location for  
25 that sale. With respect to minerals (i) the term "extracted  
26 from the earth" means the location at which the coal or other

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

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

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

13 (Source: P.A. 95-719, eff. 5-21-08; 95-723, eff. 6-23-08;  
14 96-939, eff. 6-24-10.)

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

17 (70 ILCS 1605/30)

18 Sec. 30. Taxes.

19 (a) The board shall impose a tax upon all persons engaged  
20 in the business of selling tangible personal property, other  
21 than personal property titled or registered with an agency of  
22 this State's government, at retail in the District on the gross  
23 receipts from the sales made in the course of business. This  
24 tax shall be imposed only at the rate of one-tenth of one per

1 cent.

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

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

11 Persons subject to any tax imposed under the authority  
12 granted in this Section may reimburse themselves for their  
13 sellers' 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 which sellers are required  
16 to collect under the Use Tax Act, pursuant to such bracketed  
17 schedules as the Department may prescribe.

18 Whenever the Department determines that a refund should be  
19 made under this Section to a claimant instead of issuing a  
20 credit memorandum, the Department shall notify the State  
21 Comptroller, who shall cause the order 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 State Metro-East Park and Recreation  
25 District Fund.

26 (b) If a tax has been imposed under subsection (a), a

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

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

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

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 warrant to be drawn for the



1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the State Metro-East Park and Recreation  
4 District Fund.

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

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

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

26 After the monthly transfer to the STAR Bonds Revenue Fund,

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

23 (c-5) In allocating or sourcing any municipal, county,  
24 special district, or other local retailers' occupation tax or  
25 the local share of the State's retailers' occupation tax for  
26 sales occurring in this State, the sales location for such

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

1 to the public as being an office of the retailer or its  
2 authorized representative, where at least one individual  
3 performs authorized services for the retailer or its authorized  
4 representative with respect to the purchase of tangible  
5 personal property from the retailer and the services relate in  
6 some fashion to the overall order processing or sales approval  
7 process, including, but not limited to, order input, order  
8 review, credit review, credit approval, order acceptance, or  
9 order rejection. Neither the delivery location nor the location  
10 of the acceptance of the tangible personal property by the  
11 purchaser (either before or after inspection or installation)  
12 shall determine the sales location for allocation or sourcing  
13 purposes under this Section.

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

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

1 personal property is received by the retailer or its authorized  
2 representative, and, prior to final acceptance of the order by  
3 the retailer or its authorized representative, the ordered  
4 tangible personal property is delivered or shipped from the  
5 inventory of the retailer at a location in this State, then the  
6 sales location shall be the retailer's or its authorized  
7 representative's office location in this State where the  
8 purchase order for such tangible personal property is first  
9 received or if such order is first received at an office  
10 location outside the State then the sales location shall be the  
11 inventory location from which the tangible personal property  
12 was shipped or delivered, or (6) in those situations where the  
13 order for the purchase of tangible personal property is first  
14 received by the retailer, or placed by the purchaser, at a  
15 retailer's retail sales location and both the immediate payment  
16 for the sale occurs at that location and the delivery or  
17 shipment of the property occurs from that location, then that  
18 retail sales location shall be deemed the sales location for  
19 that sale.

20 (c-6) The changes made by this amendatory Act of the 97th  
21 General Assembly shall be effective upon becoming law, and for  
22 past periods not yet closed by any applicable limitations  
23 period, a retailer may apply the changes made to this Section  
24 by this amendatory Act of the 97th General Assembly in the  
25 allocation of its past sales but only to the extent it does not  
26 change the retailer's previous filing location for such sales.

1           (d) Notwithstanding subsection (c-5) of this Section, for  
2 ~~For~~ the purpose of determining whether a tax authorized under  
3 this Section is applicable, a retail sale by a producer of coal  
4 or another mineral mined in Illinois is a sale at retail at the  
5 place where the coal or other mineral mined in Illinois is  
6 extracted from the earth. With respect to minerals (i) the term  
7 "extracted from the earth" means the location at which the coal  
8 or other mineral is extracted from the mouth of the mine, and  
9 (ii) a "mineral" includes not only coal, but also oil, sand,  
10 stone taken from a quarry, gravel and any other thing commonly  
11 regarded as a mineral and extracted from the earth. This  
12 paragraph does not apply to coal or another mineral when it is  
13 delivered or shipped by the seller to the purchaser at a point  
14 outside Illinois so that the sale is exempt under the United  
15 States Constitution as a sale in interstate or foreign  
16 commerce.

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

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

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

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

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

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

14 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

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

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



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

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

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

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

18 Whenever the Department determines that a refund should be  
19 made under this Section 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 Metro East Mass Transit District tax fund  
25 established under paragraph (h) of this Section.

26 If a tax is imposed under this subsection (b), a tax shall

1 also be imposed under subsections (c) and (d) of this Section.

2 Notwithstanding subsection (i) of this Section, for ~~For~~ the  
3 purpose of determining whether a tax authorized under this  
4 Section is applicable, a retail sale, by a producer of coal or  
5 other mineral mined in Illinois, is a sale at retail at the  
6 place where the coal or other mineral mined in Illinois is  
7 extracted from the earth. With respect to minerals (i) the term  
8 "extracted from the earth" means the location at which the coal  
9 or other mineral is extracted from the mouth of the mine, and  
10 (ii) a "mineral" includes not only coal, but also oil, sand,  
11 stone taken from a quarry, gravel and any other thing commonly  
12 regarded as a mineral and extracted from the earth. This  
13 paragraph does not apply to coal or other mineral when it is  
14 delivered or shipped by the seller to the purchaser at a point  
15 outside Illinois so that the sale is exempt under the Federal  
16 Constitution as a sale in interstate or foreign commerce.

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

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

26 (c) If a tax has been imposed under subsection (b), a Metro

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

1 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
2 to all provisions therein other than the State rate of tax), 4  
3 (except that the reference to the State shall be to the  
4 Authority), 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 District), 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 District), the first  
12 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
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  
15 herein.

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

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

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

1 tax or proof of exemption may be transmitted to the Department  
2 by way of the State agency with which, or the State officer  
3 with whom, the tangible personal property must be titled or  
4 registered if the Department and the State agency or State  
5 officer determine that this procedure will expedite the  
6 processing of applications for 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), 4, 11, 12, 12a, 14, 15,  
24 19 (except the portions pertaining to claims by retailers and  
25 except the last paragraph concerning refunds), 20, 21 and 22 of  
26 the Use Tax Act and Section 3-7 of the Uniform Penalty and

1 Interest Act, that are not inconsistent with this paragraph, as  
2 fully as if those provisions were set forth herein.

3 Whenever the Department determines that a refund should be  
4 made under this paragraph to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the order 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 Metro East Mass Transit District tax fund  
10 established under paragraph (h) of this Section.

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

22 The proposition shall be in substantially the following  
23 form:

24 Shall the tax rates for the Metro East Mass Transit  
25 District Retailers' Occupation Tax, the Metro East Mass  
26 Transit District Service Occupation Tax, and the Metro East



1 Mass Transit District Use Tax be increased from 0.25% to  
2 0.75%?

3 (B) Two thousand five hundred electors of any Metro East  
4 Mass Transit District may petition the Chief Judge of the  
5 Circuit Court, or any judge of that Circuit designated by the  
6 Chief Judge, in which that District is located to cause to be  
7 submitted to a vote of the electors the question whether the  
8 tax rates for the Metro East Mass Transit District Retailers'  
9 Occupation Tax, the Metro East Mass Transit District Service  
10 Occupation Tax, and the Metro East Mass Transit District Use  
11 Tax for the District should be increased from 0.25% to 0.75%.

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

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

21 The form of the petition shall be in substantially the  
22 following form: To the Circuit Court of the County of (name of  
23 county):

24 We, the undersigned electors of the (name of transit  
25 district), respectfully petition your honor to submit to a  
26 vote of the electors of (name of transit district) the

1 following proposition:

2 Shall the tax rates for the Metro East Mass Transit  
3 District Retailers' Occupation Tax, the Metro East Mass  
4 Transit District Service Occupation Tax, and the Metro East  
5 Mass Transit District Use Tax be increased from 0.25% to  
6 0.75%?

7 Name Address, with Street and Number.

8 .....

9 .....

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

25 (D) If the voters have approved a referendum under this  
26 subsection, before November 1, 1994, to increase the tax rate

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

1 government. After July 1, 2004, if the voters have approved a  
2 referendum under this subsection to increase the tax rate under  
3 this subsection, the Metro East Mass Transit District Board of  
4 Trustees may adopt by a majority vote an ordinance that  
5 excludes from the rate increase tangible personal property that  
6 is titled or registered with an agency of this State's  
7 government. The ordinance excluding titled or registered  
8 tangible personal property from the rate increase shall be  
9 adopted, and a certified copy of that ordinance shall be filed  
10 with the Department on or before October 1, whereupon the  
11 Department shall administer and enforce this exclusion from the  
12 rate increase as of the following January 1, or on or before  
13 April 1, whereupon the Department shall administer and enforce  
14 this exclusion from the rate increase as of the following July  
15 1. The Board of Trustees of any Metro East Mass Transit  
16 District may never reimpose a previously excluded tax rate  
17 increase on tangible personal property titled or registered  
18 with an agency of this State's government.

19 (d-6) If the Board of Trustees of any Metro East Mass  
20 Transit District has imposed a rate increase under subsection  
21 (d-5) and filed an ordinance with the Department of Revenue  
22 excluding titled property from the higher rate, then that Board  
23 may, by ordinance adopted with the concurrence of two-thirds of  
24 the then trustees, impose throughout the District a fee. The  
25 fee on the excluded property shall not exceed \$20 per retail  
26 transaction or an amount equal to the amount of tax excluded,

1 whichever is less, on tangible personal property that is titled  
2 or registered with an agency of this State's government.  
3 Beginning July 1, 2004, the fee shall apply only to titled  
4 property that is subject to either the Metro East Mass Transit  
5 District Retailers' Occupation Tax or the Metro East Mass  
6 Transit District Service Occupation Tax. No fee shall be  
7 imposed or collected under this subsection on the sale of a  
8 motor vehicle in this State to a resident of another state if  
9 that motor vehicle will not be titled in this State.

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

16 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
17 Board of Trustees of any Metro East Mass Transit District under  
18 subsection (d-6) and all civil penalties that may be assessed  
19 as an incident of the fees shall be collected and enforced by  
20 the State Department of Revenue. Reference to "taxes" in this  
21 Section shall be construed to apply to the administration,  
22 payment, and remittance of all fees under this Section. For  
23 purposes of any fee imposed under subsection (d-6), 4% of the  
24 fee, penalty, and interest received by the Department in the  
25 first 12 months that the fee is collected and enforced by the  
26 Department and 2% of the fee, penalty, and interest following

1 the first 12 months shall be deposited into the Tax Compliance  
2 and Administration Fund and shall be used by the Department,  
3 subject to appropriation, to cover the costs of the Department.  
4 No retailers' discount shall apply to any fee imposed under  
5 subsection (d-6).

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

10 (d-9) (Blank).

11 (d-10) (Blank).

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

21 (f) (Blank).

22 (g) Any ordinance imposing or discontinuing any tax under  
23 this Section shall be adopted and a certified copy thereof  
24 filed with the Department on or before June 1, whereupon the  
25 Department of Revenue shall proceed to administer and enforce  
26 this Section on behalf of the Metro East Mass Transit District

1 as of September 1 next following such adoption and filing.  
2 Beginning January 1, 1992, an ordinance or resolution imposing  
3 or discontinuing the tax hereunder shall be adopted and a  
4 certified copy thereof filed with the Department on or before  
5 the first day of July, whereupon the Department shall proceed  
6 to administer and enforce this Section as of the first day of  
7 October next following such adoption and filing. Beginning  
8 January 1, 1993, except as provided in subsection (d-5) of this  
9 Section, an ordinance or resolution imposing or discontinuing  
10 the tax hereunder shall be adopted and a certified copy thereof  
11 filed with the Department on or before the first day of  
12 October, whereupon the Department shall proceed to administer  
13 and enforce this Section as of the first day of January next  
14 following such adoption and filing, or, beginning January 1,  
15 2004, on or before the first day of April, whereupon the  
16 Department shall proceed to administer and enforce this Section  
17 as of the first day of July next following the adoption and  
18 filing.

19 (h) Except as provided in subsection (d-7.1), the State  
20 Department of Revenue shall, upon collecting any taxes as  
21 provided in this Section, pay the taxes over to the State  
22 Treasurer as trustee for the District. The taxes shall be held  
23 in a trust fund outside 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 Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district. The Department shall make this  
6 certification only if the local mass transit district imposes a  
7 tax on real property as provided in the definition of "local  
8 sales taxes" under the Innovation Development and Economy Act.

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

21 (i) In allocating or sourcing any municipal, county,  
22 special district, or other local retailers' occupation tax or  
23 the local share of the State's retailers' occupation tax for  
24 sales occurring in this State, the sales location for such  
25 allocation or sourcing purposes shall be the office location  
26 that the order for the purchase of the tangible personal



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

1 performs authorized services for the retailer or its authorized  
2 representative with respect to the purchase of tangible  
3 personal property from the retailer and the services relate in  
4 some fashion to the overall order processing or sales approval  
5 process, including, but not limited to, order input, order  
6 review, credit review, credit approval, order acceptance, or  
7 order rejection. Neither the delivery location nor the location  
8 of the acceptance of the tangible personal property by the  
9 purchaser (either before or after inspection or installation)  
10 shall determine the sales location for allocation or sourcing  
11 purposes under this Section.

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

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

1 the retailer or its authorized representative, the ordered  
2 tangible personal property is delivered or shipped from the  
3 inventory of the retailer at a location in this State, then the  
4 sales location shall be the retailer's or its authorized  
5 representative's office location in this State where the  
6 purchase order for such tangible personal property is first  
7 received or if such order is first received at an office  
8 location outside the State then the sales location shall be the  
9 inventory location from which the tangible personal property  
10 was shipped or delivered, or (6) in those situations where the  
11 order for the purchase of tangible personal property is first  
12 received by the retailer, or placed by the purchaser, at a  
13 retailer's retail sales location and both the immediate payment  
14 for the sale occurs at that location and the delivery or  
15 shipment of the property occurs from that location, then that  
16 retail sales location shall be deemed the sales location for  
17 that sale.

18 (j) The changes made by this amendatory Act of the 97th  
19 General Assembly shall be effective upon becoming law, and for  
20 past periods not yet closed by any applicable limitations  
21 period, a retailer may apply the changes made to this Section  
22 by 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 (Source: P.A. 95-331, eff. 8-21-07; 96-328, eff. 8-11-09;  
26 96-939, eff. 6-24-10.)

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

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

4           Sec. 4.03. Taxes.

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

20           (b) The Board may impose a public transportation tax upon  
21 all persons engaged in the metropolitan region in the business  
22 of selling at retail motor fuel for operation of motor vehicles  
23 upon public highways. The tax shall be at a rate not to exceed  
24 5% of the gross receipts from the sales of motor fuel in the

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

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

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

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

16           (e) The Board may impose a Regional Transportation  
17      Authority Retailers' Occupation Tax upon all persons engaged in  
18      the business of selling tangible personal property at retail in  
19      the metropolitan region. In Cook County the tax rate shall be  
20      1.25% of the gross receipts from sales of food for human  
21      consumption that is to be consumed off the premises where it is  
22      sold (other than alcoholic beverages, soft drinks and food that  
23      has been prepared for immediate consumption) and prescription  
24      and nonprescription medicines, drugs, medical appliances and  
25      insulin, urine testing materials, syringes and needles used by  
26      diabetics, and 1% of the gross receipts from other taxable

1 sales made in the course of that business. In DuPage, Kane,  
2 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
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. In the  
12 administration of, and compliance with this Section, the  
13 Department and persons who are subject to this Section shall  
14 have the same rights, remedies, privileges, immunities, powers  
15 and duties, and be subject to the same conditions,  
16 restrictions, limitations, penalties, exclusions, exemptions  
17 and definitions of terms, and employ the same modes of  
18 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
19 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
20 therein other than the State rate of tax), 2c, 3 (except as to  
21 the disposition of taxes and penalties collected), 4, 5, 5a,  
22 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
23 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
24 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
25 as if those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority



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

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

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

17 Notwithstanding subsection (r) of this Section, for ~~For~~ the  
18 purpose of determining whether a tax authorized under this  
19 Section is applicable, a retail sale by a producer of coal or  
20 other mineral mined in Illinois, is a sale at retail at the  
21 place where the coal or other mineral mined in Illinois is  
22 extracted from the earth. With respect to minerals (i) the term  
23 "extracted from the earth" means the location at which the coal  
24 or other mineral is extracted from the mouth of the mine, and  
25 (ii) a "mineral" includes not only coal, but also oil, sand,  
26 stone taken from a quarry, gravel and any other thing commonly

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

6 No tax shall be imposed or collected under this subsection  
7 on the sale of a motor vehicle in this State to a resident of  
8 another state if that motor vehicle will not be titled in this  
9 State.

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

15 (f) If a tax has been imposed under paragraph (e), a  
16 Regional Transportation Authority Service Occupation Tax shall  
17 also be imposed upon all persons engaged, in the metropolitan  
18 region in the business of making sales of service, who as an  
19 incident to making the sales of service, transfer tangible  
20 personal property within the metropolitan region, either in the  
21 form of tangible personal property or in the form of real  
22 estate as an incident to a sale of service. In Cook County, the  
23 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
24 food prepared for immediate consumption and transferred  
25 incident to a sale of service subject to the service occupation  
26 tax by an entity licensed under the Hospital Licensing Act, the

1 Nursing Home Care Act, or the MR/DD Community Care Act that is  
2 located in the metropolitan region; (2) 1.25% of the selling  
3 price of food for human consumption that is to be consumed off  
4 the premises where it is sold (other than alcoholic beverages,  
5 soft drinks and food that has been prepared for immediate  
6 consumption) and prescription and nonprescription medicines,  
7 drugs, medical appliances and insulin, urine testing  
8 materials, syringes and needles used by diabetics; and (3) 1%  
9 of the selling price from other taxable sales of tangible  
10 personal property transferred. In DuPage, Kane, Lake, McHenry  
11 and Will Counties the rate shall be 0.75% of the selling price  
12 of all tangible personal property transferred.

13 The tax imposed under this paragraph and all civil  
14 penalties that may be assessed as an incident thereof shall be  
15 collected and enforced by the State Department of Revenue. The  
16 Department shall have full power to administer and enforce this  
17 paragraph; to collect all taxes and penalties due hereunder; to  
18 dispose of taxes and penalties collected in the manner  
19 hereinafter provided; and to determine all rights to credit  
20 memoranda arising on account of the erroneous payment of tax or  
21 penalty hereunder. In the administration of and compliance with  
22 this paragraph, the Department and persons who are subject to  
23 this paragraph shall have the same rights, remedies,  
24 privileges, immunities, powers and duties, and be subject to  
25 the same conditions, restrictions, limitations, penalties,  
26 exclusions, exemptions and definitions of terms, and employ the

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

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

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

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

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

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

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

8 The Department shall have full power to administer and  
9 enforce this paragraph; to collect all taxes, penalties and  
10 interest due hereunder; to dispose of taxes, penalties and  
11 interest collected in the manner hereinafter provided; and to  
12 determine all rights to credit memoranda or refunds arising on  
13 account of the erroneous payment of tax, penalty or interest  
14 hereunder. In the administration of and compliance with this  
15 paragraph, the Department and persons who are subject to this  
16 paragraph shall have the same rights, remedies, privileges,  
17 immunities, powers and duties, and be subject to the same  
18 conditions, restrictions, limitations, penalties, exclusions,  
19 exemptions and definitions of terms and employ the same modes  
20 of procedure, as are prescribed in Sections 2 (except the  
21 definition of "retailer maintaining a place of business in this  
22 State"), 3 through 3-80 (except provisions pertaining to the  
23 State rate of tax, and except provisions concerning collection  
24 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
25 19 (except the portions pertaining to claims by retailers and  
26 except the last paragraph concerning refunds), 20, 21 and 22 of

1 the Use Tax Act, and are not inconsistent with this paragraph,  
2 as fully as if those provisions were set forth herein.

3 Whenever the Department determines that a refund should be  
4 made under this paragraph to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the order 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 Regional Transportation Authority tax fund  
10 established under paragraph (n) of this Section.

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

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

25 As soon as possible after the first day of each month,  
26 beginning January 1, 2011, upon certification of the Department

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

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

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

24 (j) A certificate of registration issued by the State  
25 Department of Revenue to a retailer under the Retailers'  
26 Occupation Tax Act or under the Service Occupation Tax Act



1 shall permit the registrant to engage in a business that is  
2 taxed under the tax imposed under paragraphs (b), (e), (f) or  
3 (g) of this Section and no additional registration shall be  
4 required under the tax. A certificate issued under the Use Tax  
5 Act or the Service Use Tax Act shall be applicable with regard  
6 to any tax imposed under paragraph (c) of this Section.

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

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

1 provided in paragraphs (b) and (c) of this Section to  
2 facilitate the reporting and nontaxability of the exempt sales  
3 or uses.

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

1 or resolution until the Department begins administering and  
2 enforcing an increased tax under this Section as authorized by  
3 this amendatory Act of the 95th General Assembly. The tax rates  
4 authorized by this amendatory Act of the 95th General Assembly  
5 are effective only if imposed by ordinance of the Authority.

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

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

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

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

1 Any taxes imposed under the authority provided in  
2 paragraphs (b), (c) and (d) shall remain in effect only until  
3 the time as any tax authorized by paragraphs (e), (f) or (g) of  
4 this Section are imposed and becomes effective. Once any tax  
5 authorized by paragraphs (e), (f) or (g) is imposed the Board  
6 may not reimpose taxes as authorized in paragraphs (b), (c) and  
7 (d) of the Section unless any tax authorized by paragraphs (e),  
8 (f) or (g) of this Section becomes ineffective by means other  
9 than an ordinance of the Board.

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

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

1 clearly proven otherwise by the retailer that the final event  
2 or activity giving rise to the retailer's acceptance of, or the  
3 binding contract for, such sale occurred at a different office  
4 location. In applying this subsection (r), if the order is  
5 received by electronic means, including but not limited to  
6 e-mail and facsimile transmission, and the first electronic  
7 receipt of the order is not addressed to or otherwise  
8 identified with a specific office location of the retailer or  
9 its authorized representative, then the order shall be deemed  
10 first received at the office location of the retailer or its  
11 authorized representative to which the addressee of the  
12 electronic order is primarily assigned or stationed, but in the  
13 event such addressee has no identifiable office location then  
14 the order shall be deemed first received at the office location  
15 that first records the receipt of such electronic order. For  
16 purposes of this subsection (r), the term "order" means the  
17 request (in writing, orally or electronically) by the purchaser  
18 to buy tangible personal property and the term "office  
19 location" means a structure, or part of a structure, held out  
20 to the public as being an office of the retailer or its  
21 authorized representative, where at least one individual  
22 performs authorized services for the retailer or its authorized  
23 representative with respect to the purchase of tangible  
24 personal property from the retailer and the services relate in  
25 some fashion to the overall order processing or sales approval  
26 process, including, but not limited to, order input, order

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

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

1 contracts where the retailer agrees to supply tangible personal  
2 property to a purchaser on a continuous basis until notified to  
3 stop by the purchaser, then for such contracts the sales  
4 location shall be the office location that the retailer or its  
5 authorized representative receives the initial order under  
6 such contract, provided that if such contract is a written  
7 contract not requiring a separate initial order to start the  
8 continuous supply process, then in such a situation the sales  
9 location shall be the office location that the retailer or its  
10 authorized representative signed the contract, or (4) for sales  
11 accepted in Illinois under a long-term blanket or master  
12 contract which (though definite as to price and quantity) must  
13 be implemented by the purchaser's placing of specific orders  
14 when goods are wanted, the office location of the retailer or  
15 its authorized representative with which such subsequent  
16 specific orders are received (rather than the place where the  
17 seller signed the master contract) will determine the sales  
18 location with respect to such orders, or (5) in those  
19 situations where the order for the purchase of tangible  
20 personal property is received by the retailer or its authorized  
21 representative, and, prior to final acceptance of the order by  
22 the retailer or its authorized representative, the ordered  
23 tangible personal property is delivered or shipped from the  
24 inventory of the retailer at a location in this State, then the  
25 sales location shall be the retailer's or its authorized  
26 representative's office location in this State where the



1 purchase order for such tangible personal property is first  
2 received or if such order is first received at an office  
3 location outside the State then the sales location shall be the  
4 inventory location from which the tangible personal property  
5 was shipped or delivered, or (6) in those situations where the  
6 order for the purchase of tangible personal property is first  
7 received by the retailer, or placed by the purchaser, at a  
8 retailer's retail sales location and both the immediate payment  
9 for the sale occurs at that location and the delivery or  
10 shipment of the property occurs from that location, then that  
11 retail sales location shall be deemed the sales location for  
12 that sale.

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

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

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

24 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

1           Sec. 4. Taxes.

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

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

14 -----

|  |       |
|--|-------|
| 15           Shall the (insert corporate |       |
| 16 name of county water commission)      | YES   |
| 17 impose (state type of tax or          | ----- |
| 18 taxes to be imposed) at the           | NO    |
| 19 rate of 1/4%?                         |       |

20 -----

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

26           (b) The board of commissioners may impose a County Water

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

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

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

26 Notwithstanding subsection (g-5) of this Section, for For

1 the purpose of determining whether a tax authorized under this  
2 paragraph is applicable, a retail sale by a producer of coal or  
3 other mineral mined in Illinois is a sale at retail at the  
4 place where the coal or other mineral mined in Illinois is  
5 extracted from the earth. With respect to minerals (i) the term  
6 "extracted from the earth" means the location at which the coal  
7 or other mineral is extracted from the mouth of the mine, and  
8 (ii) a "mineral" includes not only coal, but also oil, sand,  
9 stone taken from a quarry, gravel and any other thing commonly  
10 regarded as a mineral and extracted from the earth. This  
11 paragraph does not apply to coal or other mineral when it is  
12 delivered or shipped by the seller to the purchaser at a point  
13 outside Illinois so that the sale is exempt under the Federal  
14 Constitution as a sale in interstate or foreign commerce.

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

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

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

26 (c) If a tax has been imposed under subsection (b), a

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

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

20 Persons subject to any tax imposed under the authority  
21 granted in this paragraph may reimburse themselves for their  
22 serviceman's tax liability hereunder by separately stating the  
23 tax as an additional charge, which charge may be stated in  
24 combination, in a single amount, with State tax that servicemen  
25 are authorized to collect under the Service Use Tax Act, and  
26 any tax for which servicemen may be liable under subsection (f)

1 of Sec. 4.03 of the Regional Transportation Authority Act, in  
2 accordance with such bracket schedules as the Department may  
3 prescribe.

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

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

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



1 tax shall be collected by the Department of Revenue for a  
2 county water commission. The tax must be paid to the State, or  
3 an exemption determination must be obtained from the Department  
4 of Revenue, before the title or certificate of registration for  
5 the property may be issued. The tax or proof of exemption may  
6 be transmitted to the Department by way of the State agency  
7 with which, or the State officer with whom, the tangible  
8 personal property must be titled or registered if the  
9 Department and the State agency or State officer determine that  
10 this procedure will expedite the processing of applications for  
11 title or registration.

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

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

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

23 (e) A certificate of registration issued by the State  
24 Department of Revenue to a retailer under the Retailers'  
25 Occupation Tax Act or under the Service Occupation Tax Act  
26 shall permit the registrant to engage in a business that is

1 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
2 this Section and no additional registration shall be required  
3 under the tax. A certificate issued under the Use Tax Act or  
4 the Service Use Tax Act shall be applicable with regard to any  
5 tax imposed under paragraph (c) of this Section.

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

24 (g) The State Department of Revenue shall, upon collecting  
25 any taxes as provided in this Section, pay the taxes over to  
26 the State Treasurer as trustee for the commission. The taxes

1 shall be held in a trust fund outside the State Treasury.

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

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

22 (g-5) In allocating or sourcing any municipal, county,  
23 special district, or other local retailers' occupation tax or  
24 the local share of the State's retailers' occupation tax for  
25 sales occurring in this State, the sales location for such  
26 allocation or sourcing purposes shall be the office location

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

1 authorized representative, where at least one individual  
2 performs authorized services for the retailer or its authorized  
3 representative with respect to the purchase of tangible  
4 personal property from the retailer and the services relate in  
5 some fashion to the overall order processing or sales approval  
6 process, including, but not limited to, order input, order  
7 review, credit review, credit approval, order acceptance, or  
8 order rejection. Neither the delivery location nor the location  
9 of the acceptance of the tangible personal property by the  
10 purchaser (either before or after inspection or installation)  
11 shall determine the sales location for allocation or sourcing  
12 purposes under this Section.

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

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

1 representative, and, prior to final acceptance of the order by  
2 the retailer or its authorized representative, the ordered  
3 tangible personal property is delivered or shipped from the  
4 inventory of the retailer at a location in this State, then the  
5 sales location shall be the retailer's or its authorized  
6 representative's office location in this State where the  
7 purchase order for such tangible personal property is first  
8 received or if such order is first received at an office  
9 location outside the State then the sales location shall be the  
10 inventory location from which the tangible personal property  
11 was shipped or delivered, or (6) in those situations where the  
12 order for the purchase of tangible personal property is first  
13 received by the retailer, or placed by the purchaser, at a  
14 retailer's retail sales location and both the immediate payment  
15 for the sale occurs at that location and the delivery or  
16 shipment of the property occurs from that location, then that  
17 retail sales location shall be deemed the sales location for  
18 that sale.

19 (g-10) The changes made by this amendatory Act of the 97th  
20 General Assembly shall be effective upon becoming law, and for  
21 past periods not yet closed by any applicable limitations  
22 period, a retailer may apply the changes made to this Section  
23 by this amendatory Act of the 97th General Assembly in the  
24 allocation of its past sales but only to the extent it does not  
25 change the retailer's previous filing location for such sales.

26 (h) Beginning June 1, 2016, any tax imposed pursuant to



1 this Section may no longer be imposed or collected, unless a  
2 continuation of the tax is approved by the voters at a  
3 referendum as set forth in this Section.

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

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

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