



Rep. Michael J. Madigan

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1 AMENDMENT TO HOUSE BILL 396

2 AMENDMENT NO. _____. Amend House Bill 396 by replacing
3 everything after the enacting clause with the following:

4 "Section 1. Short title. This Act may be cited as the
5 Property Tax Refund Act.

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

7 "Department" means the Department of Revenue.

8 "Eligible homeowner" means an individual who was liable for
9 property taxes that were paid on qualified property that is
10 located in Illinois and is used as his or her principal place
11 of residence and in which he or she had an ownership interest
12 as of January 1 of the year in which the property taxes were
13 paid.

14 "Qualified property" means property for which (i) the
15 homeowner would have been allowed a credit under Section 208 of
16 the Illinois Income Tax Act, as that Section existed on January

1 1, 2014, and (ii) an eligible homeowner has filed a timely
2 application for a refund under Section 10 of this Act.

3 Section 10. Property tax refunds.

4 (a) Beginning in 2014, the Department shall issue a
5 property tax refund each year for each qualified property for
6 which an eligible homeowner who was liable for property taxes
7 that were paid with respect to that qualified property in the
8 immediately preceding calendar year has filed a timely
9 application for the property tax refund. The Department shall
10 certify to the State Comptroller as soon as possible after July
11 1 of each year both (i) the names of each eligible homeowner
12 who will receive a refund and (ii) the refund amount for each
13 eligible homeowner. The State Comptroller shall process the
14 property tax refunds within 60 business days after receipt of a
15 properly executed voucher.

16 (b) The Department shall issue a refund equal to \$500 for
17 each qualified property, provided that only one refund shall be
18 issued for each qualified property. If there is more than one
19 eligible homeowner for a qualified property, the refund shall
20 be paid to the eligible homeowner shown on the first
21 application received by the Department. Any division or sharing
22 of a refund among the eligible homeowners shall be a matter for
23 agreement between the eligible homeowners. The Department
24 shall not be responsible for dividing the refund among eligible
25 homeowners.

1 (c) On July 1, or as soon thereafter as practical, the
2 Department shall certify to the Governor's Office of Management
3 and Budget and to the State Comptroller the amount necessary to
4 make payments pursuant to this Act. The State Comptroller shall
5 order transferred and the State Treasurer shall transfer from
6 the General Revenue Fund to the Income and Property Tax Refund
7 Fund the amount necessary to fund such payments.

8 (d) Application for the refund shall be made in the form
9 and manner prescribed by the Department and shall contain all
10 information reasonably required by the Department for purposes
11 of administering the refund.

12 For refunds with respect to property taxes that were paid
13 in 2013, an Illinois income tax return claiming a credit under
14 Section 208 of the Illinois Income Tax Act for a tax year
15 ending in 2013 shall be treated as an application for the
16 refund. For refunds with respect to property taxes that were
17 paid in 2014 or in any subsequent year, the Department may
18 allow or require the application to be made on an Illinois
19 income tax return for the applicant's taxable year ending
20 during the year in which the property taxes were paid, or it
21 may require a separate application, or both. The Department may
22 require applications to be filed electronically, except in the
23 case of an individual who has no ready access to a means of
24 electronic filing or in the case where the application is made
25 on an income tax return that is not required to be filed
26 electronically.

1 No refund shall be allowed to an eligible homeowner with
2 respect to property taxes that were paid in a year unless an
3 application has been filed with the Department no later than
4 June 30 of the second calendar year following the year in which
5 the property taxes were paid, and, in the case of a
6 timely-filed application that is incomplete or otherwise
7 defective, any defect has been corrected no later than 30 days
8 after the Department has issued a notice that the application
9 is incomplete or defective or June 30 of that second following
10 year, whichever is later.

11 (e) In lieu of a refund paid under subsection (a) of
12 Section 10 of this Act, the Department may credit the amount of
13 the refund against (i) any final tax liability of the applicant
14 arising under any Act administered by the Department,
15 regardless of whether other collection remedies are closed to
16 the Department, or (ii) any liability of the applicant against
17 which the Department may offset an overpayment of Illinois
18 income tax of the applicant, and pay only the remaining balance
19 to the applicant.

20 (f) If a refund is determined by the Department to have
21 been issued in error, as soon as possible after the
22 determination is made, the Department shall issue a demand for
23 repayment of the erroneous refund, plus a penalty of 20% of the
24 erroneous refund, provided that no penalty shall be imposed if
25 the refund was issued as a result of an error of the Department
26 that was not caused by the recipient of the refund or if the

1 recipient had reasonable cause for any error made in applying
2 for the refund. If repayment is not made within 60 days of the
3 date of issuance of the demand, the Department shall enforce
4 repayment of the refund using all legal authority available to
5 the Department to collect debt.

6 Section 15. Information from counties.

7 (a) Beginning in 2014, the Department may require each
8 county to provide to the Department, upon request, each year
9 the following information relating to the property tax bills
10 issued in the preceding year; this information shall be
11 provided by parcel number:

- 12 (1) county code;
- 13 (2) township name or code;
- 14 (3) property index number;
- 15 (4) name of the owner;
- 16 (5) the mailing address of the owner;
- 17 (6) the address of the parcel;
- 18 (7) all homestead exemptions applicable to the parcel;
- 19 (8) property use or type with description;
- 20 (9) assessed value (before equalization factor);
- 21 (10) equalized assessed value;
- 22 (11) tax bill amount; and
- 23 (12) such other information as the Department shall
24 require.

25 (b) The information required by the Department under

1 subsection (a) for property tax bills issued in 2013 shall be
2 submitted no later than 30 days after written request by the
3 Department. For property tax bills issued in 2014 or any
4 subsequent year, that information shall be submitted no later
5 than May 15 of the following year. The Department may grant
6 requests for extensions of time to submit the information. The
7 information shall be submitted in a computer readable format as
8 directed by the Department. If any county fails to submit the
9 required information by the due date under this subsection, the
10 Department shall not certify to the State Comptroller the
11 amount of the Local Government Distributive Fund allocated to
12 that county under subsection (a) of Section 2 of the State
13 Revenue Sharing Act during any month beginning after that due
14 date until the information is submitted, and then, in the first
15 month beginning after the information is submitted, the
16 Department shall certify to the State Comptroller for payment
17 to that county the amount allocated in that month plus the
18 amounts that were allocated to that county in prior months but
19 not certified to the State Comptroller as a result of this
20 subsection.

21 (c) Notwithstanding Sections 6 and 8 of the State Mandates
22 Act, no reimbursement by the State is required for the
23 implementation of any mandate created by this Section.

24 Section 20. False statements in applications. Any person
25 who files an application for a refund under this Act that

1 contains a materially false statement, or who willfully
2 attempts in any other manner to receive a refund which that
3 person knows he or she is not entitled to receive under this
4 Act, shall be guilty of a Class 4 felony for the first offense
5 and a Class 3 felony for each subsequent offense. A prosecution
6 for any act in violation of this Section may be commenced at
7 any time within 5 years of the commission of that act.

8 Section 25. Rulemaking. The Department is authorized to
9 make, promulgate, and enforce such reasonable rules, and to
10 prescribe such forms, relating to the administration and
11 enforcement of the provisions of this Act as it may deem
12 appropriate.

13 The circuit courts of Cook County and Sangamon County have
14 the power to review all final administrative decisions of the
15 Department in administering this Act. The provisions of the
16 Administrative Review Law, and all amendments and
17 modifications thereof, and the rules adopted pursuant thereto,
18 shall apply to and govern all proceedings for the judicial
19 review of final administrative decisions of the Department
20 under this Act. The term "administrative decision" is defined
21 as in Section 3-101 of the Code of Civil Procedure.

22 Section 80. The State Finance Act is amended by changing
23 Sections 5.249 and 8.27a as follows:

1 (30 ILCS 105/5.249) (from Ch. 127, par. 141.249)

2 Sec. 5.249. The Income and Property Tax Refund Fund.

3 (Source: P.A. 85-1440.)

4 (30 ILCS 105/8.27a)

5 Sec. 8.27a. TANF funds; earned income tax credit. Funds
6 from the federal Temporary Assistance for Needy Families block
7 grant under Title IV-A of the federal Social Security Act
8 designated by the Illinois Department of Human Services as
9 reimbursement for expenditures made by the Illinois Department
10 of Revenue for the refundable portion of the earned income tax
11 credit shall be deposited into the Income and Property Tax
12 Refund Fund. Such deposits shall be made as needed on
13 approximately the fifteenth calendar day of each month.

14 (Source: P.A. 93-653, eff. 1-8-04.)

15 Section 85. The State Revenue Sharing Act is amended by
16 changing Sections 1a and 12 as follows:

17 (30 ILCS 115/1a) (from Ch. 85, par. 611a)

18 Sec. 1a. Income Tax Surcharge Local Government
19 Distributive Fund. Beginning July 1, 1991, and continuing
20 through January 31, 1993, of the amounts collected pursuant to
21 subsections (a) and (b) of Section 201 of the Illinois Income
22 Tax Act, minus deposits into the Income and Property Tax Refund
23 Fund, the Department shall deposit 3.0% into the Income Tax

1 Surcharge Local Government Distributive Fund in the State
2 Treasury. Beginning February 1, 1993 and continuing through
3 June 30, 1993, of the amounts collected pursuant to subsections
4 (a) and (b) of Section 201 of the Illinois Income Tax Act,
5 minus deposits into the Income and Property Tax Refund Fund,
6 the Department shall deposit 4.4% into the Income Tax Surcharge
7 Local Government Distributive Fund in the State Treasury.
8 Beginning July 1, 1993, and continuing through June 30, 1994,
9 of the amounts collected under subsections (a) and (b) of
10 Section 201 of the Illinois Income Tax Act, minus deposits into
11 the Income Tax Refund Fund, the Department shall deposit 1.475%
12 into the Income Tax Surcharge Local Government Distributive
13 Fund in the State Treasury.

14 (Source: P.A. 87-17; 87-860; 88-89.)

15 (30 ILCS 115/12) (from Ch. 85, par. 616)

16 Sec. 12. Personal Property Tax Replacement Fund. There is
17 hereby created the Personal Property Tax Replacement Fund, a
18 special fund in the State Treasury into which shall be paid all
19 revenue realized:

20 (a) all amounts realized from the additional personal
21 property tax replacement income tax imposed by subsections (c)
22 and (d) of Section 201 of the Illinois Income Tax Act, except
23 for those amounts deposited into the Income and Property Tax
24 Refund Fund pursuant to subsection (c) of Section 901 of the
25 Illinois Income Tax Act; and

1 (b) all amounts realized from the additional personal
2 property replacement invested capital taxes imposed by Section
3 2a.1 of the Messages Tax Act, Section 2a.1 of the Gas Revenue
4 Tax Act, Section 2a.1 of the Public Utilities Revenue Act, and
5 Section 3 of the Water Company Invested Capital Tax Act, and
6 amounts payable to the Department of Revenue under the
7 Telecommunications Infrastructure Maintenance Fee Act.

8 As soon as may be after the end of each month, the
9 Department of Revenue shall certify to the Treasurer and the
10 Comptroller the amount of all refunds paid out of the General
11 Revenue Fund through the preceding month on account of
12 overpayment of liability on taxes paid into the Personal
13 Property Tax Replacement Fund. Upon receipt of such
14 certification, the Treasurer and the Comptroller shall
15 transfer the amount so certified from the Personal Property Tax
16 Replacement Fund into the General Revenue Fund.

17 The payments of revenue into the Personal Property Tax
18 Replacement Fund shall be used exclusively for distribution to
19 taxing districts, regional offices and officials, and local
20 officials as provided in this Section and in the School Code,
21 payment of the ordinary and contingent expenses of the Property
22 Tax Appeal Board, payment of the expenses of the Department of
23 Revenue incurred in administering the collection and
24 distribution of monies paid into the Personal Property Tax
25 Replacement Fund and transfers due to refunds to taxpayers for
26 overpayment of liability for taxes paid into the Personal

1 Property Tax Replacement Fund.

2 In addition, moneys in the Personal Property Tax
3 Replacement Fund may be used to pay any of the following: (i)
4 salary, stipends, and additional compensation as provided by
5 law for chief election clerks, county clerks, and county
6 recorders; (ii) costs associated with regional offices of
7 education and educational service centers; (iii)
8 reimbursements payable by the State Board of Elections under
9 Section 4-25, 5-35, 6-71, 13-10, 13-10a, or 13-11 of the
10 Election Code; and (iv) expenses of the Illinois Educational
11 Labor Relations Board.

12 As soon as may be after the effective date of this
13 amendatory Act of 1980, the Department of Revenue shall certify
14 to the Treasurer the amount of net replacement revenue paid
15 into the General Revenue Fund prior to that effective date from
16 the additional tax imposed by Section 2a.1 of the Messages Tax
17 Act; Section 2a.1 of the Gas Revenue Tax Act; Section 2a.1 of
18 the Public Utilities Revenue Act; Section 3 of the Water
19 Company Invested Capital Tax Act; amounts collected by the
20 Department of Revenue under the Telecommunications
21 Infrastructure Maintenance Fee Act; and the additional
22 personal property tax replacement income tax imposed by the
23 Illinois Income Tax Act, as amended by Public Act 81-1st
24 Special Session-1. Net replacement revenue shall be defined as
25 the total amount paid into and remaining in the General Revenue
26 Fund as a result of those Acts minus the amount outstanding and

1 obligated from the General Revenue Fund in state vouchers or
2 warrants prior to the effective date of this amendatory Act of
3 1980 as refunds to taxpayers for overpayment of liability under
4 those Acts.

5 All interest earned by monies accumulated in the Personal
6 Property Tax Replacement Fund shall be deposited in such Fund.
7 All amounts allocated pursuant to this Section are appropriated
8 on a continuing basis.

9 Prior to December 31, 1980, as soon as may be after the end
10 of each quarter beginning with the quarter ending December 31,
11 1979, and on and after December 31, 1980, as soon as may be
12 after January 1, March 1, April 1, May 1, July 1, August 1,
13 October 1 and December 1 of each year, the Department of
14 Revenue shall allocate to each taxing district as defined in
15 Section 1-150 of the Property Tax Code, in accordance with the
16 provisions of paragraph (2) of this Section the portion of the
17 funds held in the Personal Property Tax Replacement Fund which
18 is required to be distributed, as provided in paragraph (1),
19 for each quarter. Provided, however, under no circumstances
20 shall any taxing district during each of the first two years of
21 distribution of the taxes imposed by this amendatory Act of
22 1979 be entitled to an annual allocation which is less than the
23 funds such taxing district collected from the 1978 personal
24 property tax. Provided further that under no circumstances
25 shall any taxing district during the third year of distribution
26 of the taxes imposed by this amendatory Act of 1979 receive

1 less than 60% of the funds such taxing district collected from
2 the 1978 personal property tax. In the event that the total of
3 the allocations made as above provided for all taxing
4 districts, during either of such 3 years, exceeds the amount
5 available for distribution the allocation of each taxing
6 district shall be proportionately reduced. Except as provided
7 in Section 13 of this Act, the Department shall then certify,
8 pursuant to appropriation, such allocations to the State
9 Comptroller who shall pay over to the several taxing districts
10 the respective amounts allocated to them.

11 Any township which receives an allocation based in whole or
12 in part upon personal property taxes which it levied pursuant
13 to Section 6-507 or 6-512 of the Illinois Highway Code and
14 which was previously required to be paid over to a municipality
15 shall immediately pay over to that municipality a proportionate
16 share of the personal property replacement funds which such
17 township receives.

18 Any municipality or township, other than a municipality
19 with a population in excess of 500,000, which receives an
20 allocation based in whole or in part on personal property taxes
21 which it levied pursuant to Sections 3-1, 3-4 and 3-6 of the
22 Illinois Local Library Act and which was previously required to
23 be paid over to a public library shall immediately pay over to
24 that library a proportionate share of the personal property tax
25 replacement funds which such municipality or township
26 receives; provided that if such a public library has converted

1 to a library organized under The Illinois Public Library
2 District Act, regardless of whether such conversion has
3 occurred on, after or before January 1, 1988, such
4 proportionate share shall be immediately paid over to the
5 library district which maintains and operates the library.
6 However, any library that has converted prior to January 1,
7 1988, and which hitherto has not received the personal property
8 tax replacement funds, shall receive such funds commencing on
9 January 1, 1988.

10 Any township which receives an allocation based in whole or
11 in part on personal property taxes which it levied pursuant to
12 Section 1c of the Public Graveyards Act and which taxes were
13 previously required to be paid over to or used for such public
14 cemetery or cemeteries shall immediately pay over to or use for
15 such public cemetery or cemeteries a proportionate share of the
16 personal property tax replacement funds which the township
17 receives.

18 Any taxing district which receives an allocation based in
19 whole or in part upon personal property taxes which it levied
20 for another governmental body or school district in Cook County
21 in 1976 or for another governmental body or school district in
22 the remainder of the State in 1977 shall immediately pay over
23 to that governmental body or school district the amount of
24 personal property replacement funds which such governmental
25 body or school district would receive directly under the
26 provisions of paragraph (2) of this Section, had it levied its

1 own taxes.

2 (1) The portion of the Personal Property Tax
3 Replacement Fund required to be distributed as of the time
4 allocation is required to be made shall be the amount
5 available in such Fund as of the time allocation is
6 required to be made.

7 The amount available for distribution shall be the
8 total amount in the fund at such time minus the necessary
9 administrative and other authorized expenses as limited by
10 the appropriation and the amount determined by: (a) \$2.8
11 million for fiscal year 1981; (b) for fiscal year 1982,
12 .54% of the funds distributed from the fund during the
13 preceding fiscal year; (c) for fiscal year 1983 through
14 fiscal year 1988, .54% of the funds distributed from the
15 fund during the preceding fiscal year less .02% of such
16 fund for fiscal year 1983 and less .02% of such funds for
17 each fiscal year thereafter; (d) for fiscal year 1989
18 through fiscal year 2011 no more than 105% of the actual
19 administrative expenses of the prior fiscal year; (e) for
20 fiscal year 2012 and beyond, a sufficient amount to pay (i)
21 stipends, additional compensation, salary reimbursements,
22 and other amounts directed to be paid out of this Fund for
23 local officials as authorized or required by statute and
24 (ii) no more than 105% of the actual administrative
25 expenses of the prior fiscal year, including payment of the
26 ordinary and contingent expenses of the Property Tax Appeal

1 Board and payment of the expenses of the Department of
2 Revenue incurred in administering the collection and
3 distribution of moneys paid into the Fund; or (f) for
4 fiscal years 2012 and 2013 only, a sufficient amount to pay
5 stipends, additional compensation, salary reimbursements,
6 and other amounts directed to be paid out of this Fund for
7 regional offices and officials as authorized or required by
8 statute. Such portion of the fund shall be determined after
9 the transfer into the General Revenue Fund due to refunds,
10 if any, paid from the General Revenue Fund during the
11 preceding quarter. If at any time, for any reason, there is
12 insufficient amount in the Personal Property Tax
13 Replacement Fund for payments for regional offices and
14 officials or local officials or payment of costs of
15 administration or for transfers due to refunds at the end
16 of any particular month, the amount of such insufficiency
17 shall be carried over for the purposes of payments for
18 regional offices and officials, local officials, transfers
19 into the General Revenue Fund, and costs of administration
20 to the following month or months. Net replacement revenue
21 held, and defined above, shall be transferred by the
22 Treasurer and Comptroller to the Personal Property Tax
23 Replacement Fund within 10 days of such certification.

24 (2) Each quarterly allocation shall first be
25 apportioned in the following manner: 51.65% for taxing
26 districts in Cook County and 48.35% for taxing districts in

1 the remainder of the State.

2 The Personal Property Replacement Ratio of each taxing
3 district outside Cook County shall be the ratio which the Tax
4 Base of that taxing district bears to the Downstate Tax Base.
5 The Tax Base of each taxing district outside of Cook County is
6 the personal property tax collections for that taxing district
7 for the 1977 tax year. The Downstate Tax Base is the personal
8 property tax collections for all taxing districts in the State
9 outside of Cook County for the 1977 tax year. The Department of
10 Revenue shall have authority to review for accuracy and
11 completeness the personal property tax collections for each
12 taxing district outside Cook County for the 1977 tax year.

13 The Personal Property Replacement Ratio of each Cook County
14 taxing district shall be the ratio which the Tax Base of that
15 taxing district bears to the Cook County Tax Base. The Tax Base
16 of each Cook County taxing district is the personal property
17 tax collections for that taxing district for the 1976 tax year.
18 The Cook County Tax Base is the personal property tax
19 collections for all taxing districts in Cook County for the
20 1976 tax year. The Department of Revenue shall have authority
21 to review for accuracy and completeness the personal property
22 tax collections for each taxing district within Cook County for
23 the 1976 tax year.

24 For all purposes of this Section 12, amounts paid to a
25 taxing district for such tax years as may be applicable by a
26 foreign corporation under the provisions of Section 7-202 of

1 the Public Utilities Act, as amended, shall be deemed to be
2 personal property taxes collected by such taxing district for
3 such tax years as may be applicable. The Director shall
4 determine from the Illinois Commerce Commission, for any tax
5 year as may be applicable, the amounts so paid by any such
6 foreign corporation to any and all taxing districts. The
7 Illinois Commerce Commission shall furnish such information to
8 the Director. For all purposes of this Section 12, the Director
9 shall deem such amounts to be collected personal property taxes
10 of each such taxing district for the applicable tax year or
11 years.

12 Taxing districts located both in Cook County and in one or
13 more other counties shall receive both a Cook County allocation
14 and a Downstate allocation determined in the same way as all
15 other taxing districts.

16 If any taxing district in existence on July 1, 1979 ceases
17 to exist, or discontinues its operations, its Tax Base shall
18 thereafter be deemed to be zero. If the powers, duties and
19 obligations of the discontinued taxing district are assumed by
20 another taxing district, the Tax Base of the discontinued
21 taxing district shall be added to the Tax Base of the taxing
22 district assuming such powers, duties and obligations.

23 If two or more taxing districts in existence on July 1,
24 1979, or a successor or successors thereto shall consolidate
25 into one taxing district, the Tax Base of such consolidated
26 taxing district shall be the sum of the Tax Bases of each of

1 the taxing districts which have consolidated.

2 If a single taxing district in existence on July 1, 1979,
3 or a successor or successors thereto shall be divided into two
4 or more separate taxing districts, the tax base of the taxing
5 district so divided shall be allocated to each of the resulting
6 taxing districts in proportion to the then current equalized
7 assessed value of each resulting taxing district.

8 If a portion of the territory of a taxing district is
9 disconnected and annexed to another taxing district of the same
10 type, the Tax Base of the taxing district from which
11 disconnection was made shall be reduced in proportion to the
12 then current equalized assessed value of the disconnected
13 territory as compared with the then current equalized assessed
14 value within the entire territory of the taxing district prior
15 to disconnection, and the amount of such reduction shall be
16 added to the Tax Base of the taxing district to which
17 annexation is made.

18 If a community college district is created after July 1,
19 1979, beginning on the effective date of this amendatory Act of
20 1995, its Tax Base shall be 3.5% of the sum of the personal
21 property tax collected for the 1977 tax year within the
22 territorial jurisdiction of the district.

23 The amounts allocated and paid to taxing districts pursuant
24 to the provisions of this amendatory Act of 1979 shall be
25 deemed to be substitute revenues for the revenues derived from
26 taxes imposed on personal property pursuant to the provisions

1 of the "Revenue Act of 1939" or "An Act for the assessment and
2 taxation of private car line companies", approved July 22,
3 1943, as amended, or Section 414 of the Illinois Insurance
4 Code, prior to the abolition of such taxes and shall be used
5 for the same purposes as the revenues derived from ad valorem
6 taxes on real estate.

7 Monies received by any taxing districts from the Personal
8 Property Tax Replacement Fund shall be first applied toward
9 payment of the proportionate amount of debt service which was
10 previously levied and collected from extensions against
11 personal property on bonds outstanding as of December 31, 1978
12 and next applied toward payment of the proportionate share of
13 the pension or retirement obligations of the taxing district
14 which were previously levied and collected from extensions
15 against personal property. For each such outstanding bond
16 issue, the County Clerk shall determine the percentage of the
17 debt service which was collected from extensions against real
18 estate in the taxing district for 1978 taxes payable in 1979,
19 as related to the total amount of such levies and collections
20 from extensions against both real and personal property. For
21 1979 and subsequent years' taxes, the County Clerk shall levy
22 and extend taxes against the real estate of each taxing
23 district which will yield the said percentage or percentages of
24 the debt service on such outstanding bonds. The balance of the
25 amount necessary to fully pay such debt service shall
26 constitute a first and prior lien upon the monies received by

1 each such taxing district through the Personal Property Tax
2 Replacement Fund and shall be first applied or set aside for
3 such purpose. In counties having fewer than 3,000,000
4 inhabitants, the amendments to this paragraph as made by this
5 amendatory Act of 1980 shall be first applicable to 1980 taxes
6 to be collected in 1981.

7 (Source: P.A. 97-72, eff. 7-1-11; 97-619, eff. 11-14-11;
8 97-732, eff. 6-30-12; 98-24, eff. 6-19-13.)

9 Section 90. The Illinois Income Tax Act is amended by
10 changing Section 901 as follows:

11 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

12 Sec. 901. Collection Authority.

13 (a) In general.

14 The Department shall collect the taxes imposed by this Act.
15 The Department shall collect certified past due child support
16 amounts under Section 2505-650 of the Department of Revenue Law
17 (20 ILCS 2505/2505-650). Except as provided in subsections (c),
18 (e), (f), and (g) of this Section, money collected pursuant to
19 subsections (a) and (b) of Section 201 of this Act shall be
20 paid into the General Revenue Fund in the State treasury; money
21 collected pursuant to subsections (c) and (d) of Section 201 of
22 this Act shall be paid into the Personal Property Tax
23 Replacement Fund, a special fund in the State Treasury; and
24 money collected under Section 2505-650 of the Department of

1 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the
2 Child Support Enforcement Trust Fund, a special fund outside
3 the State Treasury, or to the State Disbursement Unit
4 established under Section 10-26 of the Illinois Public Aid
5 Code, as directed by the Department of Healthcare and Family
6 Services.

7 (b) Local Government Distributive Fund.

8 Beginning August 1, 1969, and continuing through June 30,
9 1994, the Treasurer shall transfer each month from the General
10 Revenue Fund to a special fund in the State treasury, to be
11 known as the "Local Government Distributive Fund", an amount
12 equal to 1/12 of the net revenue realized from the tax imposed
13 by subsections (a) and (b) of Section 201 of this Act during
14 the preceding month. Beginning July 1, 1994, and continuing
15 through June 30, 1995, the Treasurer shall transfer each month
16 from the General Revenue Fund to the Local Government
17 Distributive Fund an amount equal to 1/11 of the net revenue
18 realized from the tax imposed by subsections (a) and (b) of
19 Section 201 of this Act during the preceding month. Beginning
20 July 1, 1995 and continuing through January 31, 2011, the
21 Treasurer shall transfer each month from the General Revenue
22 Fund to the Local Government Distributive Fund an amount equal
23 to the net of (i) 1/10 of the net revenue realized from the tax
24 imposed by subsections (a) and (b) of Section 201 of the
25 Illinois Income Tax Act during the preceding month (ii) minus,
26 beginning July 1, 2003 and ending June 30, 2004, \$6,666,666,

1 and beginning July 1, 2004, zero. Beginning February 1, 2011,
2 and continuing through January 31, 2015, the Treasurer shall
3 transfer each month from the General Revenue Fund to the Local
4 Government Distributive Fund an amount equal to the sum of (i)
5 6% (10% of the ratio of the 3% individual income tax rate prior
6 to 2011 to the 5% individual income tax rate after 2010) of the
7 net revenue realized from the tax imposed by subsections (a)
8 and (b) of Section 201 of this Act upon individuals, trusts,
9 and estates during the preceding month and (ii) 6.86% (10% of
10 the ratio of the 4.8% corporate income tax rate prior to 2011
11 to the 7% corporate income tax rate after 2010) of the net
12 revenue realized from the tax imposed by subsections (a) and
13 (b) of Section 201 of this Act upon corporations during the
14 preceding month. Beginning February 1, 2015 and continuing
15 through January 31, 2025, the Treasurer shall transfer each
16 month from the General Revenue Fund to the Local Government
17 Distributive Fund an amount equal to the sum of (i) 8% (10% of
18 the ratio of the 3% individual income tax rate prior to 2011 to
19 the 3.75% individual income tax rate after 2014) of the net
20 revenue realized from the tax imposed by subsections (a) and
21 (b) of Section 201 of this Act upon individuals, trusts, and
22 estates during the preceding month and (ii) 9.14% (10% of the
23 ratio of the 4.8% corporate income tax rate prior to 2011 to
24 the 5.25% corporate income tax rate after 2014) of the net
25 revenue realized from the tax imposed by subsections (a) and
26 (b) of Section 201 of this Act upon corporations during the

1 preceding month. Beginning February 1, 2025, the Treasurer
2 shall transfer each month from the General Revenue Fund to the
3 Local Government Distributive Fund an amount equal to the sum
4 of (i) 9.23% (10% of the ratio of the 3% individual income tax
5 rate prior to 2011 to the 3.25% individual income tax rate
6 after 2024) of the net revenue realized from the tax imposed by
7 subsections (a) and (b) of Section 201 of this Act upon
8 individuals, trusts, and estates during the preceding month and
9 (ii) 10% of the net revenue realized from the tax imposed by
10 subsections (a) and (b) of Section 201 of this Act upon
11 corporations during the preceding month. Net revenue realized
12 for a month shall be defined as the revenue from the tax
13 imposed by subsections (a) and (b) of Section 201 of this Act
14 which is deposited in the General Revenue Fund, the Education
15 Assistance Fund, the Income Tax Surcharge Local Government
16 Distributive Fund, the Fund for the Advancement of Education,
17 and the Commitment to Human Services Fund during the month
18 minus the amount paid out of the General Revenue Fund in State
19 warrants during that same month as refunds to taxpayers for
20 overpayment of liability under the tax imposed by subsections
21 (a) and (b) of Section 201 of this Act.

22 (c) Deposits Into Income and Property Tax Refund Fund.

23 (1) Beginning on January 1, 1989 and thereafter, the
24 Department shall deposit a percentage of the amounts
25 collected pursuant to subsections (a) and (b)(1), (2), and
26 (3), of Section 201 of this Act into a fund in the State

1 treasury known as the Income and Property Tax Refund Fund.
2 The Department shall deposit 6% of such amounts during the
3 period beginning January 1, 1989 and ending on June 30,
4 1989. Beginning with State fiscal year 1990 and for each
5 fiscal year thereafter, the percentage deposited into the
6 Income and Property Tax Refund Fund during a fiscal year
7 shall be the Annual Percentage. For fiscal years 1999
8 through 2001, the Annual Percentage shall be 7.1%. For
9 fiscal year 2003, the Annual Percentage shall be 8%. For
10 fiscal year 2004, the Annual Percentage shall be 11.7%.
11 Upon the effective date of this amendatory Act of the 93rd
12 General Assembly, the Annual Percentage shall be 10% for
13 fiscal year 2005. For fiscal year 2006, the Annual
14 Percentage shall be 9.75%. For fiscal year 2007, the Annual
15 Percentage shall be 9.75%. For fiscal year 2008, the Annual
16 Percentage shall be 7.75%. For fiscal year 2009, the Annual
17 Percentage shall be 9.75%. For fiscal year 2010, the Annual
18 Percentage shall be 9.75%. For fiscal year 2011, the Annual
19 Percentage shall be 8.75%. For fiscal year 2012, the Annual
20 Percentage shall be 8.75%. For fiscal year 2013, the Annual
21 Percentage shall be 9.75%. For fiscal year 2014, the Annual
22 Percentage shall be 9.5%. For all other fiscal years, the
23 Annual Percentage shall be calculated as a fraction, the
24 numerator of which shall be the amount of refunds approved
25 for payment by the Department during the preceding fiscal
26 year as a result of overpayment of tax liability under

1 subsections (a) and (b) (1), (2), and (3) of Section 201 of
2 this Act plus the amount of such refunds remaining approved
3 but unpaid at the end of the preceding fiscal year, minus
4 the amounts transferred into the Income and Property Tax
5 Refund Fund from the Tobacco Settlement Recovery Fund, and
6 the denominator of which shall be the amounts which will be
7 collected pursuant to subsections (a) and (b) (1), (2), and
8 (3) of Section 201 of this Act during the preceding fiscal
9 year; except that in State fiscal year 2002, the Annual
10 Percentage shall in no event exceed 7.6%. The Director of
11 Revenue shall certify the Annual Percentage to the
12 Comptroller on the last business day of the fiscal year
13 immediately preceding the fiscal year for which it is to be
14 effective.

15 (2) Beginning on January 1, 1989 and thereafter, the
16 Department shall deposit a percentage of the amounts
17 collected pursuant to subsections (a) and (b) (6), (7), and
18 (8), (c) and (d) of Section 201 of this Act into a fund in
19 the State treasury known as the Income and Property Tax
20 Refund Fund. The Department shall deposit 18% of such
21 amounts during the period beginning January 1, 1989 and
22 ending on June 30, 1989. Beginning with State fiscal year
23 1990 and for each fiscal year thereafter, the percentage
24 deposited into the Income and Property Tax Refund Fund
25 during a fiscal year shall be the Annual Percentage. For
26 fiscal years 1999, 2000, and 2001, the Annual Percentage

1 shall be 19%. For fiscal year 2003, the Annual Percentage
2 shall be 27%. For fiscal year 2004, the Annual Percentage
3 shall be 32%. Upon the effective date of this amendatory
4 Act of the 93rd General Assembly, the Annual Percentage
5 shall be 24% for fiscal year 2005. For fiscal year 2006,
6 the Annual Percentage shall be 20%. For fiscal year 2007,
7 the Annual Percentage shall be 17.5%. For fiscal year 2008,
8 the Annual Percentage shall be 15.5%. For fiscal year 2009,
9 the Annual Percentage shall be 17.5%. For fiscal year 2010,
10 the Annual Percentage shall be 17.5%. For fiscal year 2011,
11 the Annual Percentage shall be 17.5%. For fiscal year 2012,
12 the Annual Percentage shall be 17.5%. For fiscal year 2013,
13 the Annual Percentage shall be 14%. For fiscal year 2014,
14 the Annual Percentage shall be 13.4%. For all other fiscal
15 years, the Annual Percentage shall be calculated as a
16 fraction, the numerator of which shall be the amount of
17 refunds approved for payment by the Department during the
18 preceding fiscal year as a result of overpayment of tax
19 liability under subsections (a) and (b) (6), (7), and (8),
20 (c) and (d) of Section 201 of this Act plus the amount of
21 such refunds remaining approved but unpaid at the end of
22 the preceding fiscal year, and the denominator of which
23 shall be the amounts which will be collected pursuant to
24 subsections (a) and (b) (6), (7), and (8), (c) and (d) of
25 Section 201 of this Act during the preceding fiscal year;
26 except that in State fiscal year 2002, the Annual

1 Percentage shall in no event exceed 23%. The Director of
2 Revenue shall certify the Annual Percentage to the
3 Comptroller on the last business day of the fiscal year
4 immediately preceding the fiscal year for which it is to be
5 effective.

6 (3) The Comptroller shall order transferred and the
7 Treasurer shall transfer from the Tobacco Settlement
8 Recovery Fund to the Income and Property Tax Refund Fund
9 (i) \$35,000,000 in January, 2001, (ii) \$35,000,000 in
10 January, 2002, and (iii) \$35,000,000 in January, 2003.

11 (d) Expenditures from Income and Property Tax Refund Fund.

12 (1) Beginning January 1, 1989, money in the Income Tax
13 Refund Fund shall be expended exclusively for the purpose
14 of paying refunds resulting from overpayment of tax
15 liability under Section 201 of this Act, for paying rebates
16 under Section 208.1 in the event that the amounts in the
17 Homeowners' Tax Relief Fund are insufficient for that
18 purpose, for paying refunds under the Property Tax Refund
19 Act, and for making transfers pursuant to this subsection
20 (d).

21 (2) The Director shall order payment of refunds
22 resulting from overpayment of tax liability under Section
23 201 of this Act from the Income and Property Tax Refund
24 Fund only to the extent that amounts collected pursuant to
25 Section 201 of this Act and transfers pursuant to this
26 subsection (d) and item (3) of subsection (c) have been

1 deposited and retained in the Fund.

2 (3) As soon as possible after the end of each fiscal
3 year, the Director shall order transferred and the State
4 Treasurer and State Comptroller shall transfer from the
5 Income and Property Tax Refund Fund to the Personal
6 Property Tax Replacement Fund an amount, certified by the
7 Director to the Comptroller, equal to the excess of the
8 amount collected pursuant to subsections (c) and (d) of
9 Section 201 of this Act deposited into the Income and
10 Property Tax Refund Fund during the fiscal year over the
11 amount of refunds resulting from overpayment of tax
12 liability under subsections (c) and (d) of Section 201 of
13 this Act paid from the Income Tax Refund Fund during the
14 fiscal year.

15 (4) As soon as possible after the end of each fiscal
16 year, the Director shall order transferred and the State
17 Treasurer and State Comptroller shall transfer from the
18 Personal Property Tax Replacement Fund to the Income and
19 Property Tax Refund Fund an amount, certified by the
20 Director to the Comptroller, equal to the excess of the
21 amount of refunds resulting from overpayment of tax
22 liability under subsections (c) and (d) of Section 201 of
23 this Act paid from the Income and Property Tax Refund Fund
24 during the fiscal year over the amount collected pursuant
25 to subsections (c) and (d) of Section 201 of this Act
26 deposited into the Income Tax Refund Fund during the fiscal

1 year.

2 (4.5) As soon as possible after the end of fiscal year
3 1999 and of each fiscal year thereafter, the Director shall
4 order transferred and the State Treasurer and State
5 Comptroller shall transfer from the Income and Property Tax
6 Refund Fund to the General Revenue Fund any surplus
7 remaining in the Income and Property Tax Refund Fund as of
8 the end of such fiscal year; excluding for fiscal years
9 2000, 2001, and 2002 amounts attributable to transfers
10 under item (3) of subsection (c) less refunds resulting
11 from the earned income tax credit.

12 (5) This Act shall constitute an irrevocable and
13 continuing appropriation from the Income and Property Tax
14 Refund Fund for the purpose of paying refunds upon the
15 order of the Director in accordance with the provisions of
16 this Section.

17 (e) Deposits into the Education Assistance Fund and the
18 Income Tax Surcharge Local Government Distributive Fund.

19 On July 1, 1991, and thereafter, of the amounts collected
20 pursuant to subsections (a) and (b) of Section 201 of this Act,
21 minus deposits into the Income and Property Tax Refund Fund,
22 the Department shall deposit 7.3% into the Education Assistance
23 Fund in the State Treasury. Beginning July 1, 1991, and
24 continuing through January 31, 1993, of the amounts collected
25 pursuant to subsections (a) and (b) of Section 201 of the
26 Illinois Income Tax Act, minus deposits into the Income and

1 Property Tax Refund Fund, the Department shall deposit 3.0%
2 into the Income Tax Surcharge Local Government Distributive
3 Fund in the State Treasury. Beginning February 1, 1993 and
4 continuing through June 30, 1993, of the amounts collected
5 pursuant to subsections (a) and (b) of Section 201 of the
6 Illinois Income Tax Act, minus deposits into the Income and
7 Property Tax Refund Fund, the Department shall deposit 4.4%
8 into the Income Tax Surcharge Local Government Distributive
9 Fund in the State Treasury. Beginning July 1, 1993, and
10 continuing through June 30, 1994, of the amounts collected
11 under subsections (a) and (b) of Section 201 of this Act, minus
12 deposits into the Income and Property Tax Refund Fund, the
13 Department shall deposit 1.475% into the Income Tax Surcharge
14 Local Government Distributive Fund in the State Treasury.

15 (f) Deposits into the Fund for the Advancement of
16 Education. Beginning February 1, 2015, the Department shall
17 deposit the following portions of the revenue realized from the
18 tax imposed upon individuals, trusts, and estates by
19 subsections (a) and (b) of Section 201 of this Act during the
20 preceding month, minus deposits into the Income Tax Refund
21 Fund, into the Fund for the Advancement of Education:

22 (1) beginning February 1, 2015, and prior to February
23 1, 2025, 1/30; and

24 (2) beginning February 1, 2025, 1/26.

25 If the rate of tax imposed by subsection (a) and (b) of
26 Section 201 is reduced pursuant to Section 201.5 of this Act,

1 the Department shall not make the deposits required by this
2 subsection (f) on or after the effective date of the reduction.

3 (g) Deposits into the Commitment to Human Services Fund.
4 Beginning February 1, 2015, the Department shall deposit the
5 following portions of the revenue realized from the tax imposed
6 upon individuals, trusts, and estates by subsections (a) and
7 (b) of Section 201 of this Act during the preceding month,
8 minus deposits into the Income and Property Tax Refund Fund,
9 into the Commitment to Human Services Fund:

10 (1) beginning February 1, 2015, and prior to February
11 1, 2025, 1/30; and

12 (2) beginning February 1, 2025, 1/26.

13 If the rate of tax imposed by subsection (a) and (b) of
14 Section 201 is reduced pursuant to Section 201.5 of this Act,
15 the Department shall not make the deposits required by this
16 subsection (g) on or after the effective date of the reduction.
17 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
18 eff. 6-19-13.)

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