

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 Revenue Sharing Act is amended by
5 changing Section 1 as follows:

6 (30 ILCS 115/1) (from Ch. 85, par. 611)

7 Sec. 1. Local Government Distributive Fund. Through June
8 30, 1994, as soon as may be after the first day of each month
9 the Department of Revenue shall certify to the Treasurer an
10 amount equal to 1/12 of the net revenue realized from the tax
11 imposed by subsections (a) and (b) of Section 201 of the
12 Illinois Income Tax Act during the preceding month. Beginning
13 July 1, 1994, and continuing through June 30, 1995, as soon as
14 may be after the first day of each month, the Department of
15 Revenue shall certify to the Treasurer an amount equal to 1/11
16 of the net revenue realized from the tax imposed by subsections
17 (a) and (b) of Section 201 of the Illinois Income Tax Act
18 during the preceding month. Beginning July 1, 1995, as soon as
19 may be after the first day of each month, the Department of
20 Revenue shall certify to the Treasurer an amount equal to the
21 amounts calculated pursuant to subsection (b) of Section 901 of
22 the Illinois Income Tax Act based on ~~1/10 of~~ the net revenue
23 realized from the tax imposed by subsections (a) and (b) of

1 Section 201 of the Illinois Income Tax Act during the preceding
2 month. Net revenue realized for a month shall be defined as the
3 revenue from the tax imposed by subsections (a) and (b) of
4 Section 201 of the Illinois Income Tax Act which is deposited
5 in the General Revenue Fund, the Education Assistance Fund and
6 the Income Tax Surcharge Local Government Distributive Fund
7 during the month minus the amount paid out of the General
8 Revenue Fund in State warrants during that same month as
9 refunds to taxpayers for overpayment of liability under the tax
10 imposed by subsections (a) and (b) of Section 201 of the
11 Illinois Income Tax Act. Upon receipt of such certification,
12 the Treasurer shall transfer from the General Revenue Fund to a
13 special fund in the State treasury, to be known as the "Local
14 Government Distributive Fund", the amount shown on such
15 certification.

16 Beginning on the effective date of this amendatory Act of
17 the 98th General Assembly, the Comptroller shall perform the
18 transfers required by this Section no later than 60 days after
19 he or she receives the certification from the Treasurer.

20 All amounts paid into the Local Government Distributive
21 Fund in accordance with this Section and allocated pursuant to
22 this Act are appropriated on a continuing basis.

23 (Source: P.A. 88-89.)

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

1 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

2 Sec. 901. Collection Authority.

3 (a) In general.

4 The Department shall collect the taxes imposed by this Act.
5 The Department shall collect certified past due child support
6 amounts under Section 2505-650 of the Department of Revenue Law
7 (20 ILCS 2505/2505-650). Except as provided in subsections (c),
8 (e), (f), and (g) of this Section, money collected pursuant to
9 subsections (a) and (b) of Section 201 of this Act shall be
10 paid into the General Revenue Fund in the State treasury; money
11 collected pursuant to subsections (c) and (d) of Section 201 of
12 this Act shall be paid into the Personal Property Tax
13 Replacement Fund, a special fund in the State Treasury; and
14 money collected under Section 2505-650 of the Department of
15 Revenue Law (20 ILCS 2505/2505-650) shall be paid into the
16 Child Support Enforcement Trust Fund, a special fund outside
17 the State Treasury, or to the State Disbursement Unit
18 established under Section 10-26 of the Illinois Public Aid
19 Code, as directed by the Department of Healthcare and Family
20 Services.

21 (b) Local Government Distributive Fund.

22 Beginning August 1, 1969, and continuing through June 30,
23 1994, the Treasurer shall transfer each month from the General
24 Revenue Fund to a special fund in the State treasury, to be
25 known as the "Local Government Distributive Fund", an amount

1 equal to 1/12 of the net revenue realized from the tax imposed
2 by subsections (a) and (b) of Section 201 of this Act during
3 the preceding month. Beginning July 1, 1994, and continuing
4 through June 30, 1995, the Treasurer shall transfer each month
5 from the General Revenue Fund to the Local Government
6 Distributive Fund an amount equal to 1/11 of the net revenue
7 realized from the tax imposed by subsections (a) and (b) of
8 Section 201 of this Act during the preceding month. Beginning
9 July 1, 1995 and continuing through January 31, 2011, the
10 Treasurer shall transfer each month from the General Revenue
11 Fund to the Local Government Distributive Fund an amount equal
12 to the net of (i) 1/10 of the net revenue realized from the tax
13 imposed by subsections (a) and (b) of Section 201 of the
14 Illinois Income Tax Act during the preceding month (ii) minus,
15 beginning July 1, 2003 and ending June 30, 2004, \$6,666,666,
16 and beginning July 1, 2004, zero. Beginning February 1, 2011,
17 and continuing through January 31, 2015, the Treasurer shall
18 transfer each month from the General Revenue Fund to the Local
19 Government Distributive Fund an amount equal to the sum of (i)
20 6% (10% of the ratio of the 3% individual income tax rate prior
21 to 2011 to the 5% individual income tax rate after 2010) of the
22 net revenue realized from the tax imposed by subsections (a)
23 and (b) of Section 201 of this Act upon individuals, trusts,
24 and estates during the preceding month and (ii) 6.86% (10% of
25 the ratio of the 4.8% corporate income tax rate prior to 2011
26 to the 7% corporate income tax rate after 2010) of the net

1 revenue realized from the tax imposed by subsections (a) and
2 (b) of Section 201 of this Act upon corporations during the
3 preceding month. Beginning February 1, 2015 and continuing
4 through January 31, 2025, the Treasurer shall transfer each
5 month from the General Revenue Fund to the Local Government
6 Distributive Fund an amount equal to the sum of (i) 8% (10% of
7 the ratio of the 3% individual income tax rate prior to 2011 to
8 the 3.75% individual income tax rate after 2014) of the net
9 revenue realized from the tax imposed by subsections (a) and
10 (b) of Section 201 of this Act upon individuals, trusts, and
11 estates during the preceding month and (ii) 9.14% (10% of the
12 ratio of the 4.8% corporate income tax rate prior to 2011 to
13 the 5.25% corporate income tax rate after 2014) of the net
14 revenue realized from the tax imposed by subsections (a) and
15 (b) of Section 201 of this Act upon corporations during the
16 preceding month. Beginning February 1, 2025, the Treasurer
17 shall transfer each month from the General Revenue Fund to the
18 Local Government Distributive Fund an amount equal to the sum
19 of (i) 9.23% (10% of the ratio of the 3% individual income tax
20 rate prior to 2011 to the 3.25% individual income tax rate
21 after 2024) of the net revenue realized from the tax imposed by
22 subsections (a) and (b) of Section 201 of this Act upon
23 individuals, trusts, and estates during the preceding month and
24 (ii) 10% of the net revenue realized from the tax imposed by
25 subsections (a) and (b) of Section 201 of this Act upon
26 corporations during the preceding month. Net revenue realized

1 for a month shall be defined as the revenue from the tax
2 imposed by subsections (a) and (b) of Section 201 of this Act
3 which is deposited in the General Revenue Fund, the Education
4 Assistance Fund, the Income Tax Surcharge Local Government
5 Distributive Fund, the Fund for the Advancement of Education,
6 and the Commitment to Human Services Fund during the month
7 minus the amount paid out of the General Revenue Fund in State
8 warrants during that same month as refunds to taxpayers for
9 overpayment of liability under the tax imposed by subsections
10 (a) and (b) of Section 201 of this Act.

11 Beginning on the effective date of this amendatory Act of
12 the 98th General Assembly, the Comptroller shall perform the
13 transfers required by this subsection (b) no later than 60 days
14 after he or she receives the certification from the Treasurer
15 as provided in Section 1 of the State Revenue Sharing Act.

16 (c) Deposits Into Income Tax Refund Fund.

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

1 Annual Percentage. For fiscal years 1999 through 2001, the
2 Annual Percentage shall be 7.1%. For fiscal year 2003, the
3 Annual Percentage shall be 8%. For fiscal year 2004, the
4 Annual Percentage shall be 11.7%. Upon the effective date
5 of this amendatory Act of the 93rd General Assembly, the
6 Annual Percentage shall be 10% for fiscal year 2005. For
7 fiscal year 2006, the Annual Percentage shall be 9.75%. For
8 fiscal year 2007, the Annual Percentage shall be 9.75%. For
9 fiscal year 2008, the Annual Percentage shall be 7.75%. For
10 fiscal year 2009, the Annual Percentage shall be 9.75%. For
11 fiscal year 2010, the Annual Percentage shall be 9.75%. For
12 fiscal year 2011, the Annual Percentage shall be 8.75%. For
13 fiscal year 2012, the Annual Percentage shall be 8.75%. For
14 fiscal year 2013, the Annual Percentage shall be 9.75%. For
15 fiscal year 2014, the Annual Percentage shall be 9.5%. For
16 all other fiscal years, the Annual Percentage shall be
17 calculated as a fraction, the numerator of which shall be
18 the amount of refunds approved for payment by the
19 Department during the preceding fiscal year as a result of
20 overpayment of tax liability under subsections (a) and
21 (b) (1), (2), and (3) of Section 201 of this Act plus the
22 amount of such refunds remaining approved but unpaid at the
23 end of the preceding fiscal year, minus the amounts
24 transferred into the Income Tax Refund Fund from the
25 Tobacco Settlement Recovery Fund, and the denominator of
26 which shall be the amounts which will be collected pursuant

1 to subsections (a) and (b) (1), (2), and (3) of Section 201
2 of this Act during the preceding fiscal year; except that
3 in State fiscal year 2002, the Annual Percentage shall in
4 no event exceed 7.6%. The Director of Revenue shall certify
5 the Annual Percentage to the Comptroller on the last
6 business day of the fiscal year immediately preceding the
7 fiscal year for which it is to be effective.

8 (2) Beginning on January 1, 1989 and thereafter, the
9 Department shall deposit a percentage of the amounts
10 collected pursuant to subsections (a) and (b) (6), (7), and
11 (8), (c) and (d) of Section 201 of this Act into a fund in
12 the State treasury known as the Income Tax Refund Fund. The
13 Department shall deposit 18% of such amounts during the
14 period beginning January 1, 1989 and ending on June 30,
15 1989. Beginning with State fiscal year 1990 and for each
16 fiscal year thereafter, the percentage deposited into the
17 Income Tax Refund Fund during a fiscal year shall be the
18 Annual Percentage. For fiscal years 1999, 2000, and 2001,
19 the Annual Percentage shall be 19%. For fiscal year 2003,
20 the Annual Percentage shall be 27%. For fiscal year 2004,
21 the Annual Percentage shall be 32%. Upon the effective date
22 of this amendatory Act of the 93rd General Assembly, the
23 Annual Percentage shall be 24% for fiscal year 2005. For
24 fiscal year 2006, the Annual Percentage shall be 20%. For
25 fiscal year 2007, the Annual Percentage shall be 17.5%. For
26 fiscal year 2008, the Annual Percentage shall be 15.5%. For

1 fiscal year 2009, the Annual Percentage shall be 17.5%. For
2 fiscal year 2010, the Annual Percentage shall be 17.5%. For
3 fiscal year 2011, the Annual Percentage shall be 17.5%. For
4 fiscal year 2012, the Annual Percentage shall be 17.5%. For
5 fiscal year 2013, the Annual Percentage shall be 14%. For
6 fiscal year 2014, the Annual Percentage shall be 13.4%. For
7 all other fiscal years, the Annual Percentage shall be
8 calculated as a fraction, the numerator of which shall be
9 the amount of refunds approved for payment by the
10 Department during the preceding fiscal year as a result of
11 overpayment of tax liability under subsections (a) and
12 (b) (6), (7), and (8), (c) and (d) of Section 201 of this
13 Act plus the amount of such refunds remaining approved but
14 unpaid at the end of the preceding fiscal year, and the
15 denominator of which shall be the amounts which will be
16 collected pursuant to subsections (a) and (b) (6), (7), and
17 (8), (c) and (d) of Section 201 of this Act during the
18 preceding fiscal year; except that in State fiscal year
19 2002, the Annual Percentage shall in no event exceed 23%.
20 The Director of Revenue shall certify the Annual Percentage
21 to the Comptroller on the last business day of the fiscal
22 year immediately preceding the fiscal year for which it is
23 to be effective.

24 (3) The Comptroller shall order transferred and the
25 Treasurer shall transfer from the Tobacco Settlement
26 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000

1 in January, 2001, (ii) \$35,000,000 in January, 2002, and
2 (iii) \$35,000,000 in January, 2003.

3 (d) Expenditures from Income Tax Refund Fund.

4 (1) Beginning January 1, 1989, money in the Income Tax
5 Refund Fund shall be expended exclusively for the purpose
6 of paying refunds resulting from overpayment of tax
7 liability under Section 201 of this Act, for paying rebates
8 under Section 208.1 in the event that the amounts in the
9 Homeowners' Tax Relief Fund are insufficient for that
10 purpose, and for making transfers pursuant to this
11 subsection (d).

12 (2) The Director shall order payment of refunds
13 resulting from overpayment of tax liability under Section
14 201 of this Act from the Income Tax Refund Fund only to the
15 extent that amounts collected pursuant to Section 201 of
16 this Act and transfers pursuant to this subsection (d) and
17 item (3) of subsection (c) have been deposited and retained
18 in the Fund.

19 (3) As soon as possible after the end of each fiscal
20 year, the Director shall order transferred and the State
21 Treasurer and State Comptroller shall transfer from the
22 Income Tax Refund Fund to the Personal Property Tax
23 Replacement Fund an amount, certified by the Director to
24 the Comptroller, equal to the excess of the amount
25 collected pursuant to subsections (c) and (d) of Section
26 201 of this Act deposited into the Income Tax Refund Fund

1 during the fiscal year over the amount of refunds resulting
2 from overpayment of tax liability under subsections (c) and
3 (d) of Section 201 of this Act paid from the Income Tax
4 Refund Fund during the fiscal year.

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

17 (4.5) As soon as possible after the end of fiscal year
18 1999 and of each fiscal year thereafter, the Director shall
19 order transferred and the State Treasurer and State
20 Comptroller shall transfer from the Income Tax Refund Fund
21 to the General Revenue Fund any surplus remaining in the
22 Income Tax Refund Fund as of the end of such fiscal year;
23 excluding for fiscal years 2000, 2001, and 2002 amounts
24 attributable to transfers under item (3) of subsection (c)
25 less refunds resulting from the earned income tax credit.

26 (5) This Act shall constitute an irrevocable and

1 continuing appropriation from the Income Tax Refund Fund
2 for the purpose of paying refunds upon the order of the
3 Director in accordance with the provisions of this Section.

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

6 On July 1, 1991, and thereafter, of the amounts collected
7 pursuant to subsections (a) and (b) of Section 201 of this Act,
8 minus deposits into the Income Tax Refund Fund, the Department
9 shall deposit 7.3% into the Education Assistance Fund in the
10 State Treasury. Beginning July 1, 1991, and continuing through
11 January 31, 1993, of the amounts collected pursuant to
12 subsections (a) and (b) of Section 201 of the Illinois Income
13 Tax Act, minus deposits into the Income Tax Refund Fund, the
14 Department shall deposit 3.0% into the Income Tax Surcharge
15 Local Government Distributive Fund in the State Treasury.
16 Beginning February 1, 1993 and continuing through June 30,
17 1993, of the amounts collected pursuant to subsections (a) and
18 (b) of Section 201 of the Illinois Income Tax Act, minus
19 deposits into the Income Tax Refund Fund, the Department shall
20 deposit 4.4% into the Income Tax Surcharge Local Government
21 Distributive Fund in the State Treasury. Beginning July 1,
22 1993, and continuing through June 30, 1994, of the amounts
23 collected under subsections (a) and (b) of Section 201 of this
24 Act, minus deposits into the Income Tax Refund Fund, the
25 Department shall deposit 1.475% into the Income Tax Surcharge
26 Local Government Distributive Fund in the State Treasury.

1 (f) Deposits into the Fund for the Advancement of
2 Education. Beginning February 1, 2015, the Department shall
3 deposit the following portions of the revenue realized from the
4 tax imposed upon individuals, trusts, and estates by
5 subsections (a) and (b) of Section 201 of this Act during the
6 preceding month, minus deposits into the Income Tax Refund
7 Fund, into the Fund for the Advancement of Education:

8 (1) beginning February 1, 2015, and prior to February
9 1, 2025, 1/30; and

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

11 If the rate of tax imposed by subsection (a) and (b) of
12 Section 201 is reduced pursuant to Section 201.5 of this Act,
13 the Department shall not make the deposits required by this
14 subsection (f) on or after the effective date of the reduction.

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

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 (g) on or after the effective date of the reduction.
3 (Source: P.A. 97-72, eff. 7-1-11; 97-732, eff. 6-30-12; 98-24,
4 eff. 6-19-13.)

5 Section 99. Effective date. This Act takes effect upon
6 becoming law.