



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

HB3400

by Rep. John D. Cavaletto

SYNOPSIS AS INTRODUCED:

New Act

35 ILCS 5/224 new	
35 ILCS 105/3-10	
35 ILCS 105/9	from Ch. 120, par. 439.9
35 ILCS 110/3-10	from Ch. 120, par. 439.33-10
35 ILCS 110/9	from Ch. 120, par. 439.39
35 ILCS 115/3-10	from Ch. 120, par. 439.103-10
35 ILCS 115/9	from Ch. 120, par. 439.109
35 ILCS 120/2-10	
35 ILCS 120/3	from Ch. 120, par. 442

Creates the Employ Illinois Job Renewal Act. Requires the Department of Commerce and Economic Opportunity to develop application procedures to certify certain areas in the State as Job Renewal Zones. Sets forth the qualifications for certification as a Job Renewal Zone. Sets forth tax incentives for businesses located inside Job Renewal Zones. Requires the Department to certify all Job Renewal Zones by July 1, 2014 and provides that all zones expire on June 30, 2025. Requires the Department to report to the General Assembly and Governor no later than January 1, 2024 concerning the program. Effective immediately.

LRB098 08352 HLH 38457 b

FISCAL NOTE ACT
MAY APPLY

HOUSING
AFFORDABILITY
IMPACT NOTE ACT
MAY APPLY

1 AN ACT concerning economic development.

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

4 Section 1. Short title. This Act may be cited as the Employ
5 Illinois Job Renewal Act.

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

7 "Department" means the Department of Commerce and Economic
8 Opportunity.

9 "Local government entity" means a county or a municipality.

10 Section 10. Qualifications for Job Renewal Zones. A local
11 government entity is qualified to become a Job Renewal Zone if:

12 (1) it has no more than 200,000 residents according to
13 the latest data available from the U.S. Census Bureau; and

14 (2) it has experienced unemployment rates over the last
15 5 years that are higher than at least 75% of all Illinois
16 local government entities.

17 Section 15. Certification of Job Renewal Zones by the
18 Department.

19 (a) The Department must develop an application for Job
20 Renewal Zone certification, contact local government entities
21 that may qualify as a Job Renewal Zone under Section 10, and

1 inform those entities of their potential qualification. In
2 determining those local government entities to be certified, in
3 addition to characteristics mentioned in subsection (b), the
4 Department must certify an equal amount of zones in the various
5 regions of the State. The Department shall designate Job
6 Renewal Zones in a manner that maximizes their effect equally
7 in regions of the State. The Department may not designate more
8 than 10 Job Renewal Zones in the State.

9 (b) In considering applications for Job Renewal Zone
10 certification, the Department must consider all of the
11 following factors:

12 (1) The degree to which the applicant local government
13 entity has experienced population decline or equalized
14 assessed property value decline or stagnant growth at
15 greater levels than other local government entities that
16 are eligible for Job Renewal Zone certification.

17 (2) The poverty of residents of the local government
18 entity applicant relative to other local government
19 entities that are eligible for Job Renewal Zone
20 certification.

21 (3) The degree to which school districts within the
22 jurisdiction of the local government entity applying for
23 certification have experienced decline or stagnation in
24 student enrollment having detrimental effects on the
25 schools' State education funding at levels greater than
26 other local government entities that are eligible for

1 certification.

2 (4) Whether the applicant local government entity has
3 developed a strategic development plan that will guide the
4 redevelopment of its community or county in a manner that
5 benefits all residents of the applicant local government
6 entity.

7 (5) Any other relevant factors determined by the
8 Department.

9 Section 20. Taxes on businesses in Job Renewal Zones.

10 (a) All businesses located in a Job Renewal Zone, in
11 addition to any other benefits and incentives that may be
12 offered at the discretion of the Department or the local
13 government entity creating the Job Renewal Zone as is provided
14 under the Enterprise Zone Act, shall qualify, upon
15 certification by the Department, for exemptions from the
16 following taxes:

17 (1) taxes imposed under subsections (a) and (b) of
18 Section 201 of the Illinois Income Tax Act; and

19 (2) the rate of tax imposed under the Use Tax Act, the
20 Service Use Tax Act, the Service Occupation Tax Act, and
21 the Retailers' Occupation Tax Act shall be reduced to 1.25%
22 as provided in those Acts.

23 (b) Any business located in a Job Renewal Zone from which
24 the Department has determined at least 51% of its products or
25 services are exported outside of the State shall automatically

1 qualify for EDGE job creation assistance, as provided under the
2 Economic Development for a Growing Economy Tax Credit Act.

3 Section 30. Deadline for zone certification; expiration.

4 (a) The Department must set a deadline for its receipt of
5 applications for all zone certifications. The Department must
6 certify all Job Renewal Zones by July 1, 2014.

7 (b) All Job Renewal Zones expire on June 30, 2025.

8 Section 35. Report required; extension of program.

9 (a) By January 1, 2024, the Department must prepare a
10 report to the Governor and the General Assembly detailing the
11 effects of the Job Renewal program on the local government
12 entities. The report must include, without limitation,
13 information concerning:

14 (1) employment growth and unemployment decline;

15 (2) population change;

16 (3) changes in poverty rates;

17 (4) changes in per capita income of the residents of
18 the zone;

19 (5) changes in the equalized assessed value of property
20 within the zone;

21 (6) changes in the cost of providing services to zone
22 residents borne by the local government entity where the
23 zone is located;

24 (7) changes in revenues collected by the local

1 government entity in which the zone is located; and

2 (8) changes in the cost of housing in the zone.

3 (b) If the General Assembly extends the expiration date of
4 this program, the Department shall consider the progress of
5 economic development of each zone then designated and
6 surrounding areas when deciding whether the current 10 Job
7 Renewal Zones will be re-extended.

8 Section 50. The Illinois Income Tax Act is amended by
9 adding Section 224 as follows:

10 (35 ILCS 5/224 new)

11 Sec. 224. Employ Illinois Job Renewal Act. This Act is
12 subject to the provisions of the Employ Illinois Job Renewal
13 Act.

14 Section 55. The Use Tax Act is amended by changing Sections
15 3-10 and 9 as follows:

16 (35 ILCS 105/3-10)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this
18 Section, the tax imposed by this Act is at the rate of 6.25% of
19 either the selling price or the fair market value, if any, of
20 the tangible personal property. In all cases where property
21 functionally used or consumed is the same as the property that
22 was purchased at retail, then the tax is imposed on the selling

1 price of the property. In all cases where property functionally
2 used or consumed is a by-product or waste product that has been
3 refined, manufactured, or produced from property purchased at
4 retail, then the tax is imposed on the lower of the fair market
5 value, if any, of the specific property so used in this State
6 or on the selling price of the property purchased at retail.
7 For purposes of this Section "fair market value" means the
8 price at which property would change hands between a willing
9 buyer and a willing seller, neither being under any compulsion
10 to buy or sell and both having reasonable knowledge of the
11 relevant facts. The fair market value shall be established by
12 Illinois sales by the taxpayer of the same property as that
13 functionally used or consumed, or if there are no such sales by
14 the taxpayer, then comparable sales or purchases of property of
15 like kind and character in Illinois.

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

20 Beginning on August 6, 2010 through August 15, 2010, with
21 respect to sales tax holiday items as defined in Section 3-6 of
22 this Act, the tax is imposed at the rate of 1.25%.

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

1 before December 31, 2018, and (iii) 100% of the proceeds of
2 sales made thereafter. If, at any time, however, the tax under
3 this Act on sales of gasohol is imposed at the rate of 1.25%,
4 then the tax imposed by this Act applies to 100% of the
5 proceeds of sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, the tax
7 imposed by this Act does not apply to the proceeds of sales
8 made on or after July 1, 2003 and on or before December 31,
9 2018 but applies to 100% of the proceeds of sales made
10 thereafter.

11 With respect to biodiesel blends with no less than 1% and
12 no more than 10% biodiesel, the tax imposed by this Act applies
13 to (i) 80% of the proceeds of sales made on or after July 1,
14 2003 and on or before December 31, 2018 and (ii) 100% of the
15 proceeds of sales made thereafter. If, at any time, however,
16 the tax under this Act on sales of biodiesel blends with no
17 less than 1% and no more than 10% biodiesel is imposed at the
18 rate of 1.25%, then the tax imposed by this Act applies to 100%
19 of the proceeds of sales of biodiesel blends with no less than
20 1% and no more than 10% biodiesel made during that time.

21 With respect to 100% biodiesel and biodiesel blends with
22 more than 10% but no more than 99% biodiesel, the tax imposed
23 by this Act does not apply to the proceeds of sales made on or
24 after July 1, 2003 and on or before December 31, 2018 but
25 applies to 100% of the proceeds of sales made thereafter.

26 With respect to food for human consumption that is to be

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

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "soft drinks" means non-alcoholic
23 beverages that contain natural or artificial sweeteners. "Soft
24 drinks" do not include beverages that contain milk or milk
25 products, soy, rice or similar milk substitutes, or greater
26 than 50% of vegetable or fruit juice by volume.

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

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

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "nonprescription medicines and
24 drugs" does not include grooming and hygiene products. For
25 purposes of this Section, "grooming and hygiene products"
26 includes, but is not limited to, soaps and cleaning solutions,

1 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
2 lotions and screens, unless those products are available by
3 prescription only, regardless of whether the products meet the
4 definition of "over-the-counter-drugs". For the purposes of
5 this paragraph, "over-the-counter-drug" means a drug for human
6 use that contains a label that identifies the product as a drug
7 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
8 label includes:

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

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

13 Beginning on the first day of the first month to occur not
14 less than 30 days after the effective date of this amendatory
15 Act of the 98th General Assembly, with respect to tangible
16 personal property purchased from a business located in a Job
17 Renewal Zone created under the Employ Illinois Job Renewal Act,
18 the tax is imposed at the rate of 1.25%.

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

26 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,

1 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
2 97-636, eff. 6-1-12.)

3 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

4 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
5 and trailers that are required to be registered with an agency
6 of this State, each retailer required or authorized to collect
7 the tax imposed by this Act shall pay to the Department the
8 amount of such tax (except as otherwise provided) at the time
9 when he is required to file his return for the period during
10 which such tax was collected, less a discount of 2.1% prior to
11 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
12 per calendar year, whichever is greater, which is allowed to
13 reimburse the retailer for expenses incurred in collecting the
14 tax, keeping records, preparing and filing returns, remitting
15 the tax and supplying data to the Department on request. In the
16 case of retailers who report and pay the tax on a transaction
17 by transaction basis, as provided in this Section, such
18 discount shall be taken with each such tax remittance instead
19 of when such retailer files his periodic return. A retailer
20 need not remit that part of any tax collected by him to the
21 extent that he is required to remit and does remit the tax
22 imposed by the Retailers' Occupation Tax Act, with respect to
23 the sale of the same property.

24 Where such tangible personal property is sold under a
25 conditional sales contract, or under any other form of sale

1 wherein the payment of the principal sum, or a part thereof, is
2 extended beyond the close of the period for which the return is
3 filed, the retailer, in collecting the tax (except as to motor
4 vehicles, watercraft, aircraft, and trailers that are required
5 to be registered with an agency of this State), may collect for
6 each tax return period, only the tax applicable to that part of
7 the selling price actually received during such tax return
8 period.

9 Except as provided in this Section, on or before the
10 twentieth day of each calendar month, such retailer shall file
11 a return for the preceding calendar month. Such return shall be
12 filed on forms prescribed by the Department and shall furnish
13 such information as the Department may reasonably require.

14 The Department may require returns to be filed on a
15 quarterly basis. If so required, a return for each calendar
16 quarter shall be filed on or before the twentieth day of the
17 calendar month following the end of such calendar quarter. The
18 taxpayer shall also file a return with the Department for each
19 of the first two months of each calendar quarter, on or before
20 the twentieth day of the following calendar month, stating:

21 1. The name of the seller;

22 2. The address of the principal place of business from
23 which he engages in the business of selling tangible
24 personal property at retail in this State;

25 3. The total amount of taxable receipts received by him
26 during the preceding calendar month from sales of tangible

1 personal property by him during such preceding calendar
2 month, including receipts from charge and time sales, but
3 less all deductions allowed by law;

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

6 5. The amount of tax due;

7 5-5. The signature of the taxpayer; and

8 6. Such other reasonable information as the Department
9 may require.

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

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

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

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

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

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

25 The Department shall adopt such rules as are necessary to
26 effectuate a program of electronic funds transfer and the

1 requirements of this Section.

2 Before October 1, 2000, if the taxpayer's average monthly
3 tax liability to the Department under this Act, the Retailers'
4 Occupation Tax Act, the Service Occupation Tax Act, the Service
5 Use Tax Act was \$10,000 or more during the preceding 4 complete
6 calendar quarters, he shall file a return with the Department
7 each month by the 20th day of the month next following the
8 month during which such tax liability is incurred and shall
9 make payments to the Department on or before the 7th, 15th,
10 22nd and last day of the month during which such liability is
11 incurred. On and after October 1, 2000, if the taxpayer's
12 average monthly tax liability to the Department under this Act,
13 the Retailers' Occupation Tax Act, the Service Occupation Tax
14 Act, and the Service Use Tax Act was \$20,000 or more during the
15 preceding 4 complete calendar quarters, he shall file a return
16 with the Department each month by the 20th day of the month
17 next following the month during which such tax liability is
18 incurred and shall make payment to the Department on or before
19 the 7th, 15th, 22nd and last day of the month during which such
20 liability is incurred. If the month during which such tax
21 liability is incurred began prior to January 1, 1985, each
22 payment shall be in an amount equal to 1/4 of the taxpayer's
23 actual liability for the month or an amount set by the
24 Department not to exceed 1/4 of the average monthly liability
25 of the taxpayer to the Department for the preceding 4 complete
26 calendar quarters (excluding the month of highest liability and

1 the month of lowest liability in such 4 quarter period). If the
2 month during which such tax liability is incurred begins on or
3 after January 1, 1985, and prior to January 1, 1987, each
4 payment shall be in an amount equal to 22.5% of the taxpayer's
5 actual liability for the month or 27.5% of the taxpayer's
6 liability for the same calendar month of the preceding year. If
7 the month during which such tax liability is incurred begins on
8 or after January 1, 1987, and prior to January 1, 1988, each
9 payment shall be in an amount equal to 22.5% of the taxpayer's
10 actual liability for the month or 26.25% of the taxpayer's
11 liability for the same calendar month of the preceding year. If
12 the month during which such tax liability is incurred begins on
13 or after January 1, 1988, and prior to January 1, 1989, or
14 begins on or after January 1, 1996, each payment shall be in an
15 amount equal to 22.5% of the taxpayer's actual liability for
16 the month or 25% of the taxpayer's liability for the same
17 calendar month of the preceding year. If the month during which
18 such tax liability is incurred begins on or after January 1,
19 1989, and prior to January 1, 1996, each payment shall be in an
20 amount equal to 22.5% of the taxpayer's actual liability for
21 the month or 25% of the taxpayer's liability for the same
22 calendar month of the preceding year or 100% of the taxpayer's
23 actual liability for the quarter monthly reporting period. The
24 amount of such quarter monthly payments shall be credited
25 against the final tax liability of the taxpayer's return for
26 that month. Before October 1, 2000, once applicable, the

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

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

18 If any such payment provided for in this Section exceeds
19 the taxpayer's liabilities under this Act, the Retailers'
20 Occupation Tax Act, the Service Occupation Tax Act and the
21 Service Use Tax Act, as shown by an original monthly return,
22 the Department shall issue to the taxpayer a credit memorandum
23 no later than 30 days after the date of payment, which
24 memorandum may be submitted by the taxpayer to the Department
25 in payment of tax liability subsequently to be remitted by the
26 taxpayer to the Department or be assigned by the taxpayer to a

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

19 If the retailer is otherwise required to file a monthly
20 return and if the retailer's average monthly tax liability to
21 the Department does not exceed \$200, the Department may
22 authorize his returns to be filed on a quarter annual basis,
23 with the return for January, February, and March of a given
24 year being due by April 20 of such year; with the return for
25 April, May and June of a given year being due by July 20 of such
26 year; with the return for July, August and September of a given

1 year being due by October 20 of such year, and with the return
2 for October, November and December of a given year being due by
3 January 20 of the following year.

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

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as monthly
12 returns.

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

20 In addition, with respect to motor vehicles, watercraft,
21 aircraft, and trailers that are required to be registered with
22 an agency of this State, every retailer selling this kind of
23 tangible personal property shall file, with the Department,
24 upon a form to be prescribed and supplied by the Department, a
25 separate return for each such item of tangible personal
26 property which the retailer sells, except that if, in the same

1 transaction, (i) a retailer of aircraft, watercraft, motor
2 vehicles or trailers transfers more than one aircraft,
3 watercraft, motor vehicle or trailer to another aircraft,
4 watercraft, motor vehicle or trailer retailer for the purpose
5 of resale or (ii) a retailer of aircraft, watercraft, motor
6 vehicles, or trailers transfers more than one aircraft,
7 watercraft, motor vehicle, or trailer to a purchaser for use as
8 a qualifying rolling stock as provided in Section 3-55 of this
9 Act, then that seller may report the transfer of all the
10 aircraft, watercraft, motor vehicles or trailers involved in
11 that transaction to the Department on the same uniform
12 invoice-transaction reporting return form. For purposes of
13 this Section, "watercraft" means a Class 2, Class 3, or Class 4
14 watercraft as defined in Section 3-2 of the Boat Registration
15 and Safety Act, a personal watercraft, or any boat equipped
16 with an inboard motor.

17 The transaction reporting return in the case of motor
18 vehicles or trailers that are required to be registered with an
19 agency of this State, shall be the same document as the Uniform
20 Invoice referred to in Section 5-402 of the Illinois Vehicle
21 Code and must show the name and address of the seller; the name
22 and address of the purchaser; the amount of the selling price
23 including the amount allowed by the retailer for traded-in
24 property, if any; the amount allowed by the retailer for the
25 traded-in tangible personal property, if any, to the extent to
26 which Section 2 of this Act allows an exemption for the value

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

12 The transaction reporting return in the case of watercraft
13 and aircraft must show the name and address of the seller; the
14 name and address of the purchaser; the amount of the selling
15 price including the amount allowed by the retailer for
16 traded-in property, if any; the amount allowed by the retailer
17 for the traded-in tangible personal property, if any, to the
18 extent to which Section 2 of this Act allows an exemption for
19 the value of traded-in property; the balance payable after
20 deducting such trade-in allowance from the total selling price;
21 the amount of tax due from the retailer with respect to such
22 transaction; the amount of tax collected from the purchaser by
23 the retailer on such transaction (or satisfactory evidence that
24 such tax is not due in that particular instance, if that is
25 claimed to be the fact); the place and date of the sale, a
26 sufficient identification of the property sold, and such other

1 information as the Department may reasonably require.

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

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

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

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

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

17 Any retailer filing a return under this Section shall also
18 include (for the purpose of paying tax thereon) the total tax
19 covered by such return upon the selling price of tangible
20 personal property purchased by him at retail from a retailer,
21 but as to which the tax imposed by this Act was not collected
22 from the retailer filing such return, and such retailer shall
23 remit the amount of such tax to the Department when filing such
24 return.

25 If experience indicates such action to be practicable, the
26 Department may prescribe and furnish a combination or joint

1 return which will enable retailers, who are required to file
2 returns hereunder and also under the Retailers' Occupation Tax
3 Act, to furnish all the return information required by both
4 Acts on the one form.

5 Where the retailer has more than one business registered
6 with the Department under separate registration under this Act,
7 such retailer may not file each return that is due as a single
8 return covering all such registered businesses, but shall file
9 separate returns for each such registered business.

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

20

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

1 government.

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

10 Beginning August 1, 2000, each month the Department shall
11 pay into the State and Local Sales Tax Reform Fund 100% of the
12 net revenue realized for the preceding month from the 1.25%
13 rate on the selling price of motor fuel and gasohol. Beginning
14 September 1, 2010, each month the Department shall pay into the
15 State and Local Sales Tax Reform Fund 100% of the net revenue
16 realized for the preceding month from the 1.25% rate on the
17 selling price of sales tax holiday items.

18 Beginning on the first day of the first month to occur not
19 less than 30 days after the effective date of this amendatory
20 Act of the 98th General Assembly, each month the Department
21 shall pay into the State and Local Sales Tax Reform Fund 100%
22 of the net revenue realized for the preceding month from the
23 1.25% rate on the selling price of tangible personal property
24 purchased from a business located in a Job Renewal Zone created
25 under the Employ Illinois Job Renewal Act.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the Local Government Tax Fund 16% of the net revenue
2 realized for the preceding month from the 6.25% general rate on
3 the selling price of tangible personal property which is
4 purchased outside Illinois at retail from a retailer and which
5 is titled or registered by an agency of this State's
6 government.

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

14 Beginning July 1, 2011, each month the Department shall pay
15 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
16 realized for the preceding month from the 6.25% general rate on
17 the selling price of sorbents used in Illinois in the process
18 of sorbent injection as used to comply with the Environmental
19 Protection Act or the federal Clean Air Act, but the total
20 payment into the Clean Air Act (CAA) Permit Fund under this Act
21 and the Retailers' Occupation Tax Act shall not exceed
22 \$2,000,000 in any fiscal year.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, (a) 1.75% thereof shall be paid into the
25 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
26 and after July 1, 1989, 3.8% thereof shall be paid into the

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

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

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

10 Subject to payment of amounts into the Build Illinois Fund
11 as provided in the preceding paragraph or in any amendment
12 thereto hereafter enacted, the following specified monthly
13 installment of the amount requested in the certificate of the
14 Chairman of the Metropolitan Pier and Exposition Authority
15 provided under Section 8.25f of the State Finance Act, but not
16 in excess of the sums designated as "Total Deposit", shall be
17 deposited in the aggregate from collections under Section 9 of
18 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
19 9 of the Service Occupation Tax Act, and Section 3 of the
20 Retailers' Occupation Tax Act into the McCormick Place
21 Expansion Project Fund in the specified fiscal years.

22	Fiscal Year	Total Deposit
23	1993	\$0
24	1994	53,000,000
25	1995	58,000,000
26	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	246,000,000
26	2022	260,000,000

1	2023	275,000,000
2	2024	275,000,000
3	2025	275,000,000
4	2026	279,000,000
5	2027	292,000,000
6	2028	307,000,000
7	2029	322,000,000
8	2030	338,000,000
9	2031	350,000,000
10	2032	350,000,000

11 and

12 each fiscal year

13 thereafter that bonds

14 are outstanding under

15 Section 13.2 of the

16 Metropolitan Pier and

17 Exposition Authority Act,

18 but not after fiscal year 2060.

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

1 required under this Section for previous months and years,
2 shall be deposited into the McCormick Place Expansion Project
3 Fund, until the full amount requested for the fiscal year, but
4 not in excess of the amount specified above as "Total Deposit",
5 has been deposited.

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

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

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

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

14 Net revenue realized for a month shall be the revenue
15 collected by the State pursuant to this Act, less the amount
16 paid out during that month as refunds to taxpayers for
17 overpayment of liability.

18 For greater simplicity of administration, manufacturers,
19 importers and wholesalers whose products are sold at retail in
20 Illinois by numerous retailers, and who wish to do so, may
21 assume the responsibility for accounting and paying to the
22 Department all tax accruing under this Act with respect to such
23 sales, if the retailers who are affected do not make written
24 objection to the Department to this arrangement.

25 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
26 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;

1 97-333, eff. 8-12-11.)

2 Section 60. The Service Use Tax Act is amended by changing
3 Sections 3-10 and 9 as follows:

4 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

5 Sec. 3-10. Rate of tax. Unless otherwise provided in this
6 Section, the tax imposed by this Act is at the rate of 6.25% of
7 the selling price of tangible personal property transferred as
8 an incident to the sale of service, but, for the purpose of
9 computing this tax, in no event shall the selling price be less
10 than the cost price of the property to the serviceman.

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

15 With respect to gasohol, as defined in the Use Tax Act, the
16 tax imposed by this Act applies to (i) 70% of the selling price
17 of property transferred as an incident to the sale of service
18 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
19 of the selling price of property transferred as an incident to
20 the sale of service on or after July 1, 2003 and on or before
21 December 31, 2018, and (iii) 100% of the selling price
22 thereafter. If, at any time, however, the tax under this Act on
23 sales of gasohol, as defined in the Use Tax Act, is imposed at
24 the rate of 1.25%, then the tax imposed by this Act applies to

1 100% of the proceeds of sales of gasohol made during that time.

2 With respect to majority blended ethanol fuel, as defined
3 in the Use Tax Act, the tax imposed by this Act does not apply
4 to the selling price of property transferred as an incident to
5 the sale of service on or after July 1, 2003 and on or before
6 December 31, 2018 but applies to 100% of the selling price
7 thereafter.

8 With respect to biodiesel blends, as defined in the Use Tax
9 Act, with no less than 1% and no more than 10% biodiesel, the
10 tax imposed by this Act applies to (i) 80% of the selling price
11 of property transferred as an incident to the sale of service
12 on or after July 1, 2003 and on or before December 31, 2018 and
13 (ii) 100% of the proceeds of the selling price thereafter. If,
14 at any time, however, the tax under this Act on sales of
15 biodiesel blends, as defined in the Use Tax Act, with no less
16 than 1% and no more than 10% biodiesel is imposed at the rate
17 of 1.25%, then the tax imposed by this Act applies to 100% of
18 the proceeds of sales of biodiesel blends with no less than 1%
19 and no more than 10% biodiesel made during that time.

20 With respect to 100% biodiesel, as defined in the Use Tax
21 Act, and biodiesel blends, as defined in the Use Tax Act, with
22 more than 10% but no more than 99% biodiesel, the tax imposed
23 by this Act does not apply to the proceeds of the selling price
24 of property transferred as an incident to the sale of service
25 on or after July 1, 2003 and on or before December 31, 2018 but
26 applies to 100% of the selling price thereafter.

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

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

1 2009: the term "soft drinks" means any complete, finished,
2 ready-to-use, non-alcoholic drink, whether carbonated or not,
3 including but not limited to soda water, cola, fruit juice,
4 vegetable juice, carbonated water, and all other preparations
5 commonly known as soft drinks of whatever kind or description
6 that are contained in any closed or sealed bottle, can, carton,
7 or container, regardless of size; but "soft drinks" does not
8 include coffee, tea, non-carbonated water, infant formula,
9 milk or milk products as defined in the Grade A Pasteurized
10 Milk and Milk Products Act, or drinks containing 50% or more
11 natural fruit or vegetable juice.

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

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

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

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

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

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

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

4 Beginning on the first day of the first month to occur not
5 less than 30 days after the effective date of this amendatory
6 Act of the 98th General Assembly, with respect to tangible
7 personal property purchased from a business located in a Job
8 Renewal Zone created under the Employ Illinois Job Renewal Act,
9 the tax is imposed at the rate of 1.25%.

10 If the property that is acquired from a serviceman is
11 acquired outside Illinois and used outside Illinois before
12 being brought to Illinois for use here and is taxable under
13 this Act, the "selling price" on which the tax is computed
14 shall be reduced by an amount that represents a reasonable
15 allowance for depreciation for the period of prior out-of-state
16 use.

17 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
18 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
19 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

20 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

21 Sec. 9. Each serviceman required or authorized to collect
22 the tax herein imposed shall pay to the Department the amount
23 of such tax (except as otherwise provided) at the time when he
24 is required to file his return for the period during which such
25 tax was collected, less a discount of 2.1% prior to January 1,

1 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
2 year, whichever is greater, which is allowed to reimburse the
3 serviceman for expenses incurred in collecting the tax, keeping
4 records, preparing and filing returns, remitting the tax and
5 supplying data to the Department on request. A serviceman need
6 not remit that part of any tax collected by him to the extent
7 that he is required to pay and does pay the tax imposed by the
8 Service Occupation Tax Act with respect to his sale of service
9 involving the incidental transfer by him of the same property.

10 Except as provided hereinafter in this Section, on or
11 before the twentieth day of each calendar month, such
12 serviceman shall file a return for the preceding calendar month
13 in accordance with reasonable Rules and Regulations to be
14 promulgated by the Department. Such return shall be filed on a
15 form prescribed by the Department and shall contain such
16 information as the Department may reasonably require.

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

24 1. The name of the seller;

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

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

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

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

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

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

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

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

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

26 The Department shall adopt such rules as are necessary to

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

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

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

20 Such quarter annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Act concerning
24 the time within which a serviceman may file his return, in the
25 case of any serviceman who ceases to engage in a kind of
26 business which makes him responsible for filing returns under

1 this Act, such serviceman shall file a final return under this
2 Act with the Department not more than 1 month after
3 discontinuing such business.

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

21 Any serviceman filing a return hereunder shall also include
22 the total tax upon the selling price of tangible personal
23 property purchased for use by him as an incident to a sale of
24 service, and such serviceman shall remit the amount of such tax
25 to the Department when filing such return.

26 If experience indicates such action to be practicable, the

1 Department may prescribe and furnish a combination or joint
2 return which will enable servicemen, who are required to file
3 returns hereunder and also under the Service Occupation Tax
4 Act, to furnish all the return information required by both
5 Acts on the one form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registration hereunder,
8 such serviceman shall not file each return that is due as a
9 single return covering all such registered businesses, but
10 shall file separate returns for each such registered business.

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

21 Beginning January 1, 1990, each month the Department shall
22 pay into the State and Local Sales Tax Reform Fund 20% of the
23 net revenue realized for the preceding month from the 6.25%
24 general rate on transfers of tangible personal property, other
25 than tangible personal property which is purchased outside
26 Illinois at retail from a retailer and which is titled or

1 registered by an agency of this State's government.

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

6 Beginning on the first day of the first month to occur not
7 less than 30 days after the effective date of this amendatory
8 Act of the 98th General Assembly, each month the Department
9 shall pay into the State and Local Sales Tax Reform Fund 100%
10 of the net revenue realized for the preceding month from the
11 1.25% rate on the selling price of tangible personal property
12 purchased from a business located in a Job Renewal Zone created
13 under the Employ Illinois Job Renewal Act.

14 Beginning October 1, 2009, each month the Department shall
15 pay into the Capital Projects Fund an amount that is equal to
16 an amount estimated by the Department to represent 80% of the
17 net revenue realized for the preceding month from the sale of
18 candy, grooming and hygiene products, and soft drinks that had
19 been taxed at a rate of 1% prior to September 1, 2009 but that
20 is now taxed at 6.25%.

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

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

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

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

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

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

1	1998	68,000,000
2	1999	71,000,000
3	2000	75,000,000
4	2001	80,000,000
5	2002	93,000,000
6	2003	99,000,000
7	2004	103,000,000
8	2005	108,000,000
9	2006	113,000,000
10	2007	119,000,000
11	2008	126,000,000
12	2009	132,000,000
13	2010	139,000,000
14	2011	146,000,000
15	2012	153,000,000
16	2013	161,000,000
17	2014	170,000,000
18	2015	179,000,000
19	2016	189,000,000
20	2017	199,000,000
21	2018	210,000,000
22	2019	221,000,000
23	2020	233,000,000
24	2021	246,000,000
25	2022	260,000,000
26	2023	275,000,000

1	2024	275,000,000
2	2025	275,000,000
3	2026	279,000,000
4	2027	292,000,000
5	2028	307,000,000
6	2029	322,000,000
7	2030	338,000,000
8	2031	350,000,000
9	2032	350,000,000

10 and

11 each fiscal year

12 thereafter that bonds

13 are outstanding under

14 Section 13.2 of the

15 Metropolitan Pier and

16 Exposition Authority Act,

17 but not after fiscal year 2060.

18 Beginning July 20, 1993 and in each month of each fiscal

19 year thereafter, one-eighth of the amount requested in the

20 certificate of the Chairman of the Metropolitan Pier and

21 Exposition Authority for that fiscal year, less the amount

22 deposited into the McCormick Place Expansion Project Fund by

23 the State Treasurer in the respective month under subsection

24 (g) of Section 13 of the Metropolitan Pier and Exposition

25 Authority Act, plus cumulative deficiencies in the deposits

26 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year, but
3 not in excess of the amount specified above as "Total Deposit",
4 has been deposited.

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

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

26 All remaining moneys received by the Department pursuant to

1 this Act shall be paid into the General Revenue Fund of the
2 State Treasury.

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

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

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

16 Section 65. The Service Occupation Tax Act is amended by
17 changing Sections 3-10 and 9 as follows:

18 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

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

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

17 With respect to gasohol, as defined in the Use Tax Act, the
18 tax imposed by this Act shall apply to (i) 70% of the cost
19 price of property transferred as an incident to the sale of
20 service on or after January 1, 1990, and before July 1, 2003,
21 (ii) 80% of the selling price of property transferred as an
22 incident to the sale of service on or after July 1, 2003 and on
23 or before December 31, 2018, and (iii) 100% of the cost price
24 thereafter. If, at any time, however, the tax under this Act on
25 sales of gasohol, as defined in the Use Tax Act, is imposed at
26 the rate of 1.25%, then the tax imposed by this Act applies to

1 100% of the proceeds of sales of gasohol made during that time.

2 With respect to majority blended ethanol fuel, as defined
3 in the Use Tax Act, the tax imposed by this Act does not apply
4 to the selling price of property transferred as an incident to
5 the sale of service on or after July 1, 2003 and on or before
6 December 31, 2018 but applies to 100% of the selling price
7 thereafter.

8 With respect to biodiesel blends, as defined in the Use Tax
9 Act, with no less than 1% and no more than 10% biodiesel, the
10 tax imposed by this Act applies to (i) 80% of the selling price
11 of property transferred as an incident to the sale of service
12 on or after July 1, 2003 and on or before December 31, 2018 and
13 (ii) 100% of the proceeds of the selling price thereafter. If,
14 at any time, however, the tax under this Act on sales of
15 biodiesel blends, as defined in the Use Tax Act, with no less
16 than 1% and no more than 10% biodiesel is imposed at the rate
17 of 1.25%, then the tax imposed by this Act applies to 100% of
18 the proceeds of sales of biodiesel blends with no less than 1%
19 and no more than 10% biodiesel made during that time.

20 With respect to 100% biodiesel, as defined in the Use Tax
21 Act, and biodiesel blends, as defined in the Use Tax Act, with
22 more than 10% but no more than 99% biodiesel material, the tax
23 imposed by this Act does not apply to the proceeds of the
24 selling price of property transferred as an incident to the
25 sale of service on or after July 1, 2003 and on or before
26 December 31, 2018 but applies to 100% of the selling price

1 thereafter.

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

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

1 human use. For the purposes of this Section, until September 1,
2 2009: the term "soft drinks" means any complete, finished,
3 ready-to-use, non-alcoholic drink, whether carbonated or not,
4 including but not limited to soda water, cola, fruit juice,
5 vegetable juice, carbonated water, and all other preparations
6 commonly known as soft drinks of whatever kind or description
7 that are contained in any closed or sealed can, carton, or
8 container, regardless of size; but "soft drinks" does not
9 include coffee, tea, non-carbonated water, infant formula,
10 milk or milk products as defined in the Grade A Pasteurized
11 Milk and Milk Products Act, or drinks containing 50% or more
12 natural fruit or vegetable juice.

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

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

1 off the premises where it is sold" includes all food sold
2 through a vending machine, except soft drinks, candy, and food
3 products that are dispensed hot from a vending machine,
4 regardless of the location of the vending machine.

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

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

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

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

5 Beginning on the first day of the first month to occur not
6 less than 30 days after the effective date of this amendatory
7 Act of the 98th General Assembly, with respect to tangible
8 personal property purchased from a business located in a Job
9 Renewal Zone created under the Employ Illinois Job Renewal Act,
10 the tax is imposed at the rate of 1.25%.

11 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
12 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
13 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

14 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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

25 Where such tangible personal property is sold under a

1 conditional sales contract, or under any other form of sale
2 wherein the payment of the principal sum, or a part thereof, is
3 extended beyond the close of the period for which the return is
4 filed, the serviceman, in collecting the tax may collect, for
5 each tax return period, only the tax applicable to the part of
6 the selling price actually received during such tax return
7 period.

8 Except as provided hereinafter in this Section, on or
9 before the twentieth day of each calendar month, such
10 serviceman shall file a return for the preceding calendar month
11 in accordance with reasonable rules and regulations to be
12 promulgated by the Department of Revenue. Such return shall be
13 filed on a form prescribed by the Department and shall contain
14 such information as the Department may reasonably require.

15 The Department may require returns to be filed on a
16 quarterly basis. If so required, a return for each calendar
17 quarter shall be filed on or before the twentieth day of the
18 calendar month following the end of such calendar quarter. The
19 taxpayer shall also file a return with the Department for each
20 of the first two months of each calendar quarter, on or before
21 the twentieth day of the following calendar month, stating:

- 22 1. The name of the seller;
- 23 2. The address of the principal place of business from
24 which he engages in business as a serviceman in this State;
- 25 3. The total amount of taxable receipts received by him
26 during the preceding calendar month, including receipts

1 from charge and time sales, but less all deductions allowed
2 by law;

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

5 5. The amount of tax due;

6 5-5. The signature of the taxpayer; and

7 6. Such other reasonable information as the Department
8 may require.

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

13 Prior to October 1, 2003, and on and after September 1,
14 2004 a serviceman may accept a Manufacturer's Purchase Credit
15 certification from a purchaser in satisfaction of Service Use
16 Tax as provided in Section 3-70 of the Service Use Tax Act if
17 the purchaser provides the appropriate documentation as
18 required by Section 3-70 of the Service Use Tax Act. A
19 Manufacturer's Purchase Credit certification, accepted prior
20 to October 1, 2003 or on or after September 1, 2004 by a
21 serviceman as provided in Section 3-70 of the Service Use Tax
22 Act, may be used by that serviceman to satisfy Service
23 Occupation Tax liability in the amount claimed in the
24 certification, not to exceed 6.25% of the receipts subject to
25 tax from a qualifying purchase. A Manufacturer's Purchase
26 Credit reported on any original or amended return filed under

1 this Act after October 20, 2003 for reporting periods prior to
2 September 1, 2004 shall be disallowed. Manufacturer's Purchase
3 Credit reported on annual returns due on or after January 1,
4 2005 will be disallowed for periods prior to September 1, 2004.
5 No Manufacturer's Purchase Credit may be used after September
6 30, 2003 through August 31, 2004 to satisfy any tax liability
7 imposed under this Act, including any audit liability.

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

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

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as monthly
24 returns.

25 Notwithstanding any other provision in this Act concerning
26 the time within which a serviceman may file his return, in the

1 case of any serviceman who ceases to engage in a kind of
2 business which makes him responsible for filing returns under
3 this Act, such serviceman shall file a final return under this
4 Act with the Department not more than 1 month after
5 discontinuing such business.

6 Beginning October 1, 1993, a taxpayer who has an average
7 monthly tax liability of \$150,000 or more shall make all
8 payments required by rules of the Department by electronic
9 funds transfer. Beginning October 1, 1994, a taxpayer who has
10 an average monthly tax liability of \$100,000 or more shall make
11 all payments required by rules of the Department by electronic
12 funds transfer. Beginning October 1, 1995, a taxpayer who has
13 an average monthly tax liability of \$50,000 or more shall make
14 all payments required by rules of the Department by electronic
15 funds transfer. Beginning October 1, 2000, a taxpayer who has
16 an annual tax liability of \$200,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. The term "annual tax liability" shall be the
19 sum of the taxpayer's liabilities under this Act, and under all
20 other State and local occupation and use tax laws administered
21 by the Department, for the immediately preceding calendar year.
22 The term "average monthly tax liability" means the sum of the
23 taxpayer's liabilities under this Act, and under all other
24 State and local occupation and use tax laws administered by the
25 Department, for the immediately preceding calendar year
26 divided by 12. Beginning on October 1, 2002, a taxpayer who has

1 a tax liability in the amount set forth in subsection (b) of
2 Section 2505-210 of the Department of Revenue Law shall make
3 all payments required by rules of the Department by electronic
4 funds transfer.

5 Before August 1 of each year beginning in 1993, the
6 Department shall notify all taxpayers required to make payments
7 by electronic funds transfer. All taxpayers required to make
8 payments by electronic funds transfer shall make those payments
9 for a minimum of one year beginning on October 1.

10 Any taxpayer not required to make payments by electronic
11 funds transfer may make payments by electronic funds transfer
12 with the permission of the Department.

13 All taxpayers required to make payment by electronic funds
14 transfer and any taxpayers authorized to voluntarily make
15 payments by electronic funds transfer shall make those payments
16 in the manner authorized by the Department.

17 The Department shall adopt such rules as are necessary to
18 effectuate a program of electronic funds transfer and the
19 requirements of this Section.

20 Where a serviceman collects the tax with respect to the
21 selling price of tangible personal property which he sells and
22 the purchaser thereafter returns such tangible personal
23 property and the serviceman refunds the selling price thereof
24 to the purchaser, such serviceman shall also refund, to the
25 purchaser, the tax so collected from the purchaser. When filing
26 his return for the period in which he refunds such tax to the

1 purchaser, the serviceman may deduct the amount of the tax so
2 refunded by him to the purchaser from any other Service
3 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
4 Use Tax which such serviceman may be required to pay or remit
5 to the Department, as shown by such return, provided that the
6 amount of the tax to be deducted shall previously have been
7 remitted to the Department by such serviceman. If the
8 serviceman shall not previously have remitted the amount of
9 such tax to the Department, he shall be entitled to no
10 deduction hereunder upon refunding such tax to the purchaser.

11 If experience indicates such action to be practicable, the
12 Department may prescribe and furnish a combination or joint
13 return which will enable servicemen, who are required to file
14 returns hereunder and also under the Retailers' Occupation Tax
15 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
16 the return information required by all said Acts on the one
17 form.

18 Where the serviceman has more than one business registered
19 with the Department under separate registrations hereunder,
20 such serviceman shall file separate returns for each registered
21 business.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the Local Government Tax Fund the revenue realized for
24 the preceding month from the 1% tax on sales of food for human
25 consumption which is to be consumed off the premises where it
26 is sold (other than alcoholic beverages, soft drinks and food

1 which has been prepared for immediate consumption) and
2 prescription and nonprescription medicines, drugs, medical
3 appliances and insulin, urine testing materials, syringes and
4 needles used by diabetics.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the County and Mass Transit District Fund 4% of the
7 revenue realized for the preceding month from the 6.25% general
8 rate.

9 Beginning August 1, 2000, each month the Department shall
10 pay into the County and Mass Transit District Fund 20% of the
11 net revenue realized for the preceding month from the 1.25%
12 rate on the selling price of motor fuel and gasohol.

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

17 Beginning August 1, 2000, each month the Department shall
18 pay into the Local Government Tax Fund 80% of the net revenue
19 realized for the preceding month from the 1.25% rate on the
20 selling price of motor fuel and gasohol.

21 Beginning on the first day of the first month to occur not
22 less than 30 days after the effective date of this amendatory
23 Act of the 98th General Assembly, each month the Department
24 shall pay into the County and Mass Transit District Fund 20% of
25 the net revenue realized for the preceding month from the 1.25%
26 rate on the selling price of tangible personal property

1 purchased from a business located in a Job Renewal Zone created
2 under the Employ Illinois Job Renewal Act.

3 Beginning on the first day of the first month to occur not
4 less than 30 days after the effective date of this amendatory
5 Act of the 98th General Assembly, each month the Department
6 shall pay into the Local Government Tax Fund 80% of the net
7 revenue realized for the preceding month from the 1.25% rate on
8 the selling price of tangible personal property purchased from
9 a business located in a Job Renewal Zone created under the
10 Employ Illinois Job Renewal Act.

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

18 Of the remainder of the moneys received by the Department
19 pursuant to this Act, (a) 1.75% thereof shall be paid into the
20 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
21 and after July 1, 1989, 3.8% thereof shall be paid into the
22 Build Illinois Fund; provided, however, that if in any fiscal
23 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
24 may be, of the moneys received by the Department and required
25 to be paid into the Build Illinois Fund pursuant to Section 3
26 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax

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

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

1 preceding sentence. The moneys received by the Department
 2 pursuant to this Act and required to be deposited into the
 3 Build Illinois Fund are subject to the pledge, claim and charge
 4 set forth in Section 12 of the Build Illinois Bond Act.

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

	Fiscal Year	Total Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

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

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 has been deposited.

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

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

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

26 The Department may, upon separate written notice to a

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

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

26 (i) Until January 1, 1994, the taxpayer shall be liable

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

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

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

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

22 As soon as possible after the first day of each month, upon
23 certification of the Department of Revenue, the Comptroller
24 shall order transferred and the Treasurer shall transfer from
25 the General Revenue Fund to the Motor Fuel Tax Fund an amount
26 equal to 1.7% of 80% of the net revenue realized under this Act

1 for the second preceding month. Beginning April 1, 2000, this
2 transfer is no longer required and shall not be made.

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

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

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

17 Section 70. The Retailers' Occupation Tax Act is amended by
18 changing Sections 2-10 and 3 as follows:

19 (35 ILCS 120/2-10)

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

24 Beginning on July 1, 2000 and through December 31, 2000,

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

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

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

22 With respect to gasohol, as defined in the Use Tax Act, the
23 tax imposed by this Act applies to (i) 70% of the proceeds of
24 sales made on or after January 1, 1990, and before July 1,
25 2003, (ii) 80% of the proceeds of sales made on or after July
26 1, 2003 and on or before December 31, 2018, and (iii) 100% of

1 the proceeds of sales made thereafter. If, at any time,
2 however, the tax under this Act on sales of gasohol, as defined
3 in the Use Tax Act, is imposed at the rate of 1.25%, then the
4 tax imposed by this Act applies to 100% of the proceeds of
5 sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the proceeds of sales made on or after July 1, 2003 and on or
9 before December 31, 2018 but applies to 100% of the proceeds of
10 sales made thereafter.

11 With respect to biodiesel blends, as defined in the Use Tax
12 Act, with no less than 1% and no more than 10% biodiesel, the
13 tax imposed by this Act applies to (i) 80% of the proceeds of
14 sales made on or after July 1, 2003 and on or before December
15 31, 2018 and (ii) 100% of the proceeds of sales made
16 thereafter. If, at any time, however, the tax under this Act on
17 sales of biodiesel blends, as defined in the Use Tax Act, with
18 no less than 1% and no more than 10% biodiesel is imposed at
19 the rate of 1.25%, then the tax imposed by this Act applies to
20 100% of the proceeds of sales of biodiesel blends with no less
21 than 1% and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel, as defined in the Use Tax
23 Act, and biodiesel blends, as defined in the Use Tax Act, with
24 more than 10% but no more than 99% biodiesel, the tax imposed
25 by this Act does not apply to the proceeds of sales made on or
26 after July 1, 2003 and on or before December 31, 2018 but

1 applies to 100% of the proceeds of sales made thereafter.

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

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "soft drinks" means non-alcoholic
25 beverages that contain natural or artificial sweeteners. "Soft
26 drinks" do not include beverages that contain milk or milk

1 products, soy, rice or similar milk substitutes, or greater
2 than 50% of vegetable or fruit juice by volume.

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

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

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "nonprescription medicines and
26 drugs" does not include grooming and hygiene products. For

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

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

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

15 Beginning on the first day of the first month to occur not
16 less than 30 days after the effective date of this amendatory
17 Act of the 98th General Assembly, with respect to tangible
18 personal property purchased from a business located in a Job
19 Renewal Zone created under the Employ Illinois Job Renewal Act,
20 the tax is imposed at the rate of 1.25%.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
22 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
23 97-636, eff. 6-1-12.)

24 (35 ILCS 120/3) (from Ch. 120, par. 442)

25 Sec. 3. Except as provided in this Section, on or before

1 the twentieth day of each calendar month, every person engaged
2 in the business of selling tangible personal property at retail
3 in this State during the preceding calendar month shall file a
4 return with the Department, stating:

5 1. The name of the seller;

6 2. His residence address and the address of his
7 principal place of business and the address of the
8 principal place of business (if that is a different
9 address) from which he engages in the business of selling
10 tangible personal property at retail in this State;

11 3. Total amount of receipts received by him during the
12 preceding calendar month or quarter, as the case may be,
13 from sales of tangible personal property, and from services
14 furnished, by him during such preceding calendar month or
15 quarter;

16 4. Total amount received by him during the preceding
17 calendar month or quarter on charge and time sales of
18 tangible personal property, and from services furnished,
19 by him prior to the month or quarter for which the return
20 is filed;

21 5. Deductions allowed by law;

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

25 7. The amount of credit provided in Section 2d of this
26 Act;

- 1 8. The amount of tax due;
- 2 9. The signature of the taxpayer; and
- 3 10. Such other reasonable information as the
- 4 Department may require.

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

9 Each return shall be accompanied by the statement of
10 prepaid tax issued pursuant to Section 2e for which credit is
11 claimed.

12 Prior to October 1, 2003, and on and after September 1,
13 2004 a retailer may accept a Manufacturer's Purchase Credit
14 certification from a purchaser in satisfaction of Use Tax as
15 provided in Section 3-85 of the Use Tax Act if the purchaser
16 provides the appropriate documentation as required by Section
17 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
18 certification, accepted by a retailer prior to October 1, 2003
19 and on and after September 1, 2004 as provided in Section 3-85
20 of the Use Tax Act, may be used by that retailer to satisfy
21 Retailers' Occupation Tax liability in the amount claimed in
22 the certification, not to exceed 6.25% of the receipts subject
23 to tax from a qualifying purchase. A Manufacturer's Purchase
24 Credit reported on any original or amended return filed under
25 this Act after October 20, 2003 for reporting periods prior to
26 September 1, 2004 shall be disallowed. Manufacturer's

1 Purchaser Credit reported on annual returns due on or after
2 January 1, 2005 will be disallowed for periods prior to
3 September 1, 2004. No Manufacturer's Purchase Credit may be
4 used after September 30, 2003 through August 31, 2004 to
5 satisfy any tax liability imposed under this Act, including any
6 audit liability.

7 The Department may require returns to be filed on a
8 quarterly basis. If so required, a return for each calendar
9 quarter shall be filed on or before the twentieth day of the
10 calendar month following the end of such calendar quarter. The
11 taxpayer shall also file a return with the Department for each
12 of the first two months of each calendar quarter, on or before
13 the twentieth day of the following calendar month, stating:

14 1. The name of the seller;

15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;

18 3. The total amount of taxable receipts received by him
19 during the preceding calendar month from sales of tangible
20 personal property by him during such preceding calendar
21 month, including receipts from charge and time sales, but
22 less all deductions allowed by law;

23 4. The amount of credit provided in Section 2d of this
24 Act;

25 5. The amount of tax due; and

26 6. Such other reasonable information as the Department

1 may require.

2 Beginning on October 1, 2003, any person who is not a
3 licensed distributor, importing distributor, or manufacturer,
4 as defined in the Liquor Control Act of 1934, but is engaged in
5 the business of selling, at retail, alcoholic liquor shall file
6 a statement with the Department of Revenue, in a format and at
7 a time prescribed by the Department, showing the total amount
8 paid for alcoholic liquor purchased during the preceding month
9 and such other information as is reasonably required by the
10 Department. The Department may adopt rules to require that this
11 statement be filed in an electronic or telephonic format. Such
12 rules may provide for exceptions from the filing requirements
13 of this paragraph. For the purposes of this paragraph, the term
14 "alcoholic liquor" shall have the meaning prescribed in the
15 Liquor Control Act of 1934.

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

1 distributor, or manufacturer of alcoholic liquor must
2 personally deliver, mail, or provide by electronic means to
3 each retailer listed on the monthly statement a report
4 containing a cumulative total of that distributor's, importing
5 distributor's, or manufacturer's total sales of alcoholic
6 liquor to that retailer no later than the 10th day of the month
7 for the preceding month during which the transaction occurred.
8 The distributor, importing distributor, or manufacturer shall
9 notify the retailer as to the method by which the distributor,
10 importing distributor, or manufacturer will provide the sales
11 information. If the retailer is unable to receive the sales
12 information by electronic means, the distributor, importing
13 distributor, or manufacturer shall furnish the sales
14 information by personal delivery or by mail. For purposes of
15 this paragraph, the term "electronic means" includes, but is
16 not limited to, the use of a secure Internet website, e-mail,
17 or facsimile.

18 If a total amount of less than \$1 is payable, refundable or
19 creditable, such amount shall be disregarded if it is less than
20 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

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

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

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

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

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

9 Any amount which is required to be shown or reported on any
10 return or other document under this Act shall, if such amount
11 is not a whole-dollar amount, be increased to the nearest
12 whole-dollar amount in any case where the fractional part of a
13 dollar is 50 cents or more, and decreased to the nearest
14 whole-dollar amount where the fractional part of a dollar is
15 less than 50 cents.

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

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

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as monthly
9 returns.

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

17 Where the same person has more than one business registered
18 with the Department under separate registrations under this
19 Act, such person may not file each return that is due as a
20 single return covering all such registered businesses, but
21 shall file separate returns for each such registered business.

22 In addition, with respect to motor vehicles, watercraft,
23 aircraft, and trailers that are required to be registered with
24 an agency of this State, every retailer selling this kind of
25 tangible personal property shall file, with the Department,
26 upon a form to be prescribed and supplied by the Department, a

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

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

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

22 The transaction reporting return in the case of watercraft
23 or aircraft must show the name and address of the seller; the
24 name and address of the purchaser; the amount of the selling
25 price including the amount allowed by the retailer for
26 traded-in property, if any; the amount allowed by the retailer

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

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

24 With each such transaction reporting return, the retailer
25 shall remit the proper amount of tax due (or shall submit
26 satisfactory evidence that the sale is not taxable if that is

1 the case), to the Department or its agents, whereupon the
2 Department shall issue, in the purchaser's name, a use tax
3 receipt (or a certificate of exemption if the Department is
4 satisfied that the particular sale is tax exempt) which such
5 purchaser may submit to the agency with which, or State officer
6 with whom, he must title or register the tangible personal
7 property that is involved (if titling or registration is
8 required) in support of such purchaser's application for an
9 Illinois certificate or other evidence of title or registration
10 to such tangible personal property.

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

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

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

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

19 Where the seller is a corporation, the return filed on
20 behalf of such corporation shall be signed by the president,
21 vice-president, secretary or treasurer or by the properly
22 accredited agent of such corporation.

23 Where the seller is a limited liability company, the return
24 filed on behalf of the limited liability company shall be
25 signed by a manager, member, or properly accredited agent of
26 the limited liability company.

1 Except as provided in this Section, the retailer filing the
2 return under this Section shall, at the time of filing such
3 return, pay to the Department the amount of tax imposed by this
4 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
5 on and after January 1, 1990, or \$5 per calendar year,
6 whichever is greater, which is allowed to reimburse the
7 retailer for the expenses incurred in keeping records,
8 preparing and filing returns, remitting the tax and supplying
9 data to the Department on request. Any prepayment made pursuant
10 to Section 2d of this Act shall be included in the amount on
11 which such 2.1% or 1.75% discount is computed. In the case of
12 retailers who report and pay the tax on a transaction by
13 transaction basis, as provided in this Section, such discount
14 shall be taken with each such tax remittance instead of when
15 such retailer files his periodic return.

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

1 1, 2000, if the taxpayer's average monthly tax liability to the
2 Department under this Act, the Use Tax Act, the Service
3 Occupation Tax Act, and the Service Use Tax Act, excluding any
4 liability for prepaid sales tax to be remitted in accordance
5 with Section 2d of this Act, was \$20,000 or more during the
6 preceding 4 complete calendar quarters, he shall file a return
7 with the Department each month by the 20th day of the month
8 next following the month during which such tax liability is
9 incurred and shall make payment to the Department on or before
10 the 7th, 15th, 22nd and last day of the month during which such
11 liability is incurred. If the month during which such tax
12 liability is incurred began prior to January 1, 1985, each
13 payment shall be in an amount equal to 1/4 of the taxpayer's
14 actual liability for the month or an amount set by the
15 Department not to exceed 1/4 of the average monthly liability
16 of the taxpayer to the Department for the preceding 4 complete
17 calendar quarters (excluding the month of highest liability and
18 the month of lowest liability in such 4 quarter period). If the
19 month during which such tax liability is incurred begins on or
20 after January 1, 1985 and prior to January 1, 1987, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 27.5% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1987 and prior to January 1, 1988, each
26 payment shall be in an amount equal to 22.5% of the taxpayer's

1 actual liability for the month or 26.25% of the taxpayer's
2 liability for the same calendar month of the preceding year. If
3 the month during which such tax liability is incurred begins on
4 or after January 1, 1988, and prior to January 1, 1989, or
5 begins on or after January 1, 1996, each payment shall be in an
6 amount equal to 22.5% of the taxpayer's actual liability for
7 the month or 25% of the taxpayer's liability for the same
8 calendar month of the preceding year. If the month during which
9 such tax liability is incurred begins on or after January 1,
10 1989, and prior to January 1, 1996, each payment shall be in an
11 amount equal to 22.5% of the taxpayer's actual liability for
12 the month or 25% of the taxpayer's liability for the same
13 calendar month of the preceding year or 100% of the taxpayer's
14 actual liability for the quarter monthly reporting period. The
15 amount of such quarter monthly payments shall be credited
16 against the final tax liability of the taxpayer's return for
17 that month. Before October 1, 2000, once applicable, the
18 requirement of the making of quarter monthly payments to the
19 Department by taxpayers having an average monthly tax liability
20 of \$10,000 or more as determined in the manner provided above
21 shall continue until such taxpayer's average monthly liability
22 to the Department during the preceding 4 complete calendar
23 quarters (excluding the month of highest liability and the
24 month of lowest liability) is less than \$9,000, or until such
25 taxpayer's average monthly liability to the Department as
26 computed for each calendar quarter of the 4 preceding complete

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

1 long term. If any such quarter monthly payment is not paid at
2 the time or in the amount required by this Section, then the
3 taxpayer shall be liable for penalties and interest on the
4 difference between the minimum amount due as a payment and the
5 amount of such quarter monthly payment actually and timely
6 paid, except insofar as the taxpayer has previously made
7 payments for that month to the Department in excess of the
8 minimum payments previously due as provided in this Section.
9 The Department shall make reasonable rules and regulations to
10 govern the quarter monthly payment amount and quarter monthly
11 payment dates for taxpayers who file on other than a calendar
12 monthly basis.

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

1 such tax liability is incurred begins on or after January 1,
2 1986, each payment shall be in an amount equal to 22.5% of the
3 taxpayer's actual liability for the month or 27.5% of the
4 taxpayer's liability for the same calendar month of the
5 preceding calendar year. If the month during which such tax
6 liability is incurred begins on or after January 1, 1987, each
7 payment shall be in an amount equal to 22.5% of the taxpayer's
8 actual liability for the month or 26.25% of the taxpayer's
9 liability for the same calendar month of the preceding year.
10 The amount of such quarter monthly payments shall be credited
11 against the final tax liability of the taxpayer's return for
12 that month filed under this Section or Section 2f, as the case
13 may be. Once applicable, the requirement of the making of
14 quarter monthly payments to the Department pursuant to this
15 paragraph shall continue until such taxpayer's average monthly
16 prepaid tax collections during the preceding 2 complete
17 calendar quarters is \$25,000 or less. If any such quarter
18 monthly payment is not paid at the time or in the amount
19 required, the taxpayer shall be liable for penalties and
20 interest on such difference, except insofar as the taxpayer has
21 previously made payments for that month in excess of the
22 minimum payments previously due.

23 The provisions of this paragraph apply on and after October
24 1, 2001. Without regard to whether a taxpayer is required to
25 make quarter monthly payments as specified above, any taxpayer
26 who is required by Section 2d of this Act to collect and remit

1 prepaid taxes and has collected prepaid taxes that average in
2 excess of \$20,000 per month during the preceding 4 complete
3 calendar quarters shall file a return with the Department as
4 required by Section 2f and shall make payments to the
5 Department on or before the 7th, 15th, 22nd and last day of the
6 month during which the liability is incurred. Each payment
7 shall be in an amount equal to 22.5% of the taxpayer's actual
8 liability for the month or 25% of the taxpayer's liability for
9 the same calendar month of the preceding year. The amount of
10 the quarter monthly payments shall be credited against the
11 final tax liability of the taxpayer's return for that month
12 filed under this Section or Section 2f, as the case may be.
13 Once applicable, the requirement of the making of quarter
14 monthly payments to the Department pursuant to this paragraph
15 shall continue until the taxpayer's average monthly prepaid tax
16 collections during the preceding 4 complete calendar quarters
17 (excluding the month of highest liability and the month of
18 lowest liability) is less than \$19,000 or until such taxpayer's
19 average monthly liability to the Department as computed for
20 each calendar quarter of the 4 preceding complete calendar
21 quarters is less than \$20,000. If any such quarter monthly
22 payment is not paid at the time or in the amount required, the
23 taxpayer shall be liable for penalties and interest on such
24 difference, except insofar as the taxpayer has previously made
25 payments for that month in excess of the minimum payments
26 previously due.

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

23 If a retailer of motor fuel is entitled to a credit under
24 Section 2d of this Act which exceeds the taxpayer's liability
25 to the Department under this Act for the month which the
26 taxpayer is filing a return, the Department shall issue the

1 taxpayer a credit memorandum for the excess.

2 Beginning January 1, 1990, each month the Department shall
3 pay into the Local Government Tax Fund, a special fund in the
4 State treasury which is hereby created, the net revenue
5 realized for the preceding month from the 1% tax on sales of
6 food for human consumption which is to be consumed off the
7 premises where it is sold (other than alcoholic beverages, soft
8 drinks and food which has been prepared for immediate
9 consumption) and prescription and nonprescription medicines,
10 drugs, medical appliances and insulin, urine testing
11 materials, syringes and needles used by diabetics.

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund 16% of the net revenue

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

3 Beginning August 1, 2000, each month the Department shall
4 pay into the Local Government Tax Fund 80% of the net revenue
5 realized for the preceding month from the 1.25% rate on the
6 selling price of motor fuel and gasohol. Beginning September 1,
7 2010, each month the Department shall pay into the Local
8 Government Tax Fund 80% of the net revenue realized for the
9 preceding month from the 1.25% rate on the selling price of
10 sales tax holiday items.

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

18 Beginning on the first day of the first month to occur not
19 less than 30 days after the effective date of this amendatory
20 Act of the 98th General Assembly, each month the Department
21 shall pay into the County and Mass Transit District Fund 20% of
22 the net revenue realized for the preceding month from the 1.25%
23 rate on the selling price of tangible personal property
24 purchased from a business located in a Job Renewal Zone created
25 under the Employ Illinois Job Renewal Act.

26 Beginning on the first day of the first month to occur not

1 less than 30 days after the effective date of this amendatory
2 Act of the 98th General Assembly, each month the Department
3 shall pay into the Local Government Tax Fund 80% of the net
4 revenue realized for the preceding month from the 1.25% rate on
5 the selling price of tangible personal property purchased from
6 a business located in a Job Renewal Zone created under the
7 Employ Illinois Job Renewal Act.

8 Beginning July 1, 2011, each month the Department shall pay
9 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
10 realized for the preceding month from the 6.25% general rate on
11 the selling price of sorbents used in Illinois in the process
12 of sorbent injection as used to comply with the Environmental
13 Protection Act or the federal Clean Air Act, but the total
14 payment into the Clean Air Act (CAA) Permit Fund under this Act
15 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal
16 year.

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, (a) 1.75% thereof shall be paid into the
19 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
20 and after July 1, 1989, 3.8% thereof shall be paid into the
21 Build Illinois Fund; provided, however, that if in any fiscal
22 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
23 may be, of the moneys received by the Department and required
24 to be paid into the Build Illinois Fund pursuant to this Act,
25 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
26 Act, and Section 9 of the Service Occupation Tax Act, such Acts

1 being hereinafter called the "Tax Acts" and such aggregate of
2 2.2% or 3.8%, as the case may be, of moneys being hereinafter
3 called the "Tax Act Amount", and (2) the amount transferred to
4 the Build Illinois Fund from the State and Local Sales Tax
5 Reform Fund shall be less than the Annual Specified Amount (as
6 hereinafter defined), an amount equal to the difference shall
7 be immediately paid into the Build Illinois Fund from other
8 moneys received by the Department pursuant to the Tax Acts; the
9 "Annual Specified Amount" means the amounts specified below for
10 fiscal years 1986 through 1993:

11	Fiscal Year	Annual Specified Amount
12	1986	\$54,800,000
13	1987	\$76,650,000
14	1988	\$80,480,000
15	1989	\$88,510,000
16	1990	\$115,330,000
17	1991	\$145,470,000
18	1992	\$182,730,000
19	1993	\$206,520,000;

20 and means the Certified Annual Debt Service Requirement (as
21 defined in Section 13 of the Build Illinois Bond Act) or the
22 Tax Act Amount, whichever is greater, for fiscal year 1994 and
23 each fiscal year thereafter; and further provided, that if on
24 the last business day of any month the sum of (1) the Tax Act
25 Amount required to be deposited into the Build Illinois Bond
26 Account in the Build Illinois Fund during such month and (2)

1 the amount transferred to the Build Illinois Fund from the
2 State and Local Sales Tax Reform Fund shall have been less than
3 1/12 of the Annual Specified Amount, an amount equal to the
4 difference shall be immediately paid into the Build Illinois
5 Fund from other moneys received by the Department pursuant to
6 the Tax Acts; and, further provided, that in no event shall the
7 payments required under the preceding proviso result in
8 aggregate payments into the Build Illinois Fund pursuant to
9 this clause (b) for any fiscal year in excess of the greater of
10 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
11 such fiscal year. The amounts payable into the Build Illinois
12 Fund under clause (b) of the first sentence in this paragraph
13 shall be payable only until such time as the aggregate amount
14 on deposit under each trust indenture securing Bonds issued and
15 outstanding pursuant to the Build Illinois Bond Act is
16 sufficient, taking into account any future investment income,
17 to fully provide, in accordance with such indenture, for the
18 defeasance of or the payment of the principal of, premium, if
19 any, and interest on the Bonds secured by such indenture and on
20 any Bonds expected to be issued thereafter and all fees and
21 costs payable with respect thereto, all as certified by the
22 Director of the Bureau of the Budget (now Governor's Office of
23 Management and Budget). If on the last business day of any
24 month in which Bonds are outstanding pursuant to the Build
25 Illinois Bond Act, the aggregate of moneys deposited in the
26 Build Illinois Bond Account in the Build Illinois Fund in such

1 month shall be less than the amount required to be transferred
2 in such month from the Build Illinois Bond Account to the Build
3 Illinois Bond Retirement and Interest Fund pursuant to Section
4 13 of the Build Illinois Bond Act, an amount equal to such
5 deficiency shall be immediately paid from other moneys received
6 by the Department pursuant to the Tax Acts to the Build
7 Illinois Fund; provided, however, that any amounts paid to the
8 Build Illinois Fund in any fiscal year pursuant to this
9 sentence shall be deemed to constitute payments pursuant to
10 clause (b) of the first sentence of this paragraph and shall
11 reduce the amount otherwise payable for such fiscal year
12 pursuant to that clause (b). The moneys received by the
13 Department pursuant to this Act and required to be deposited
14 into the Build Illinois Fund are subject to the pledge, claim
15 and charge set forth in Section 12 of the Build Illinois Bond
16 Act.

17 Subject to payment of amounts into the Build Illinois Fund
18 as provided in the preceding paragraph or in any amendment
19 thereto hereafter enacted, the following specified monthly
20 installment of the amount requested in the certificate of the
21 Chairman of the Metropolitan Pier and Exposition Authority
22 provided under Section 8.25f of the State Finance Act, but not
23 in excess of sums designated as "Total Deposit", shall be
24 deposited in the aggregate from collections under Section 9 of
25 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
26 9 of the Service Occupation Tax Act, and Section 3 of the

1 Retailers' Occupation Tax Act into the McCormick Place
2 Expansion Project Fund in the specified fiscal years.

3		Total
	Fiscal Year	Deposit
4	1993	\$0
5	1994	53,000,000
6	1995	58,000,000
7	1996	61,000,000
8	1997	64,000,000
9	1998	68,000,000
10	1999	71,000,000
11	2000	75,000,000
12	2001	80,000,000
13	2002	93,000,000
14	2003	99,000,000
15	2004	103,000,000
16	2005	108,000,000
17	2006	113,000,000
18	2007	119,000,000
19	2008	126,000,000
20	2009	132,000,000
21	2010	139,000,000
22	2011	146,000,000
23	2012	153,000,000
24	2013	161,000,000
25	2014	170,000,000

1	2015	179,000,000
2	2016	189,000,000
3	2017	199,000,000
4	2018	210,000,000
5	2019	221,000,000
6	2020	233,000,000
7	2021	246,000,000
8	2022	260,000,000
9	2023	275,000,000
10	2024	275,000,000
11	2025	275,000,000
12	2026	279,000,000
13	2027	292,000,000
14	2028	307,000,000
15	2029	322,000,000
16	2030	338,000,000
17	2031	350,000,000
18	2032	350,000,000

19 and
20 each fiscal year
21 thereafter that bonds
22 are outstanding under
23 Section 13.2 of the
24 Metropolitan Pier and
25 Exposition Authority Act,
26 but not after fiscal year 2060.

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

14 Subject to payment of amounts into the Build Illinois Fund
15 and the McCormick Place Expansion Project Fund pursuant to the
16 preceding paragraphs or in any amendments thereto hereafter
17 enacted, beginning July 1, 1993, the Department shall each
18 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
19 the net revenue realized for the preceding month from the 6.25%
20 general rate on the selling price of tangible personal
21 property.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning with the receipt of the first report of
26 taxes paid by an eligible business and continuing for a 25-year

1 period, the Department shall each month pay into the Energy
2 Infrastructure Fund 80% of the net revenue realized from the
3 6.25% general rate on the selling price of Illinois-mined coal
4 that was sold to an eligible business. For purposes of this
5 paragraph, the term "eligible business" means a new electric
6 generating facility certified pursuant to Section 605-332 of
7 the Department of Commerce and Economic Opportunity Law of the
8 Civil Administrative Code of Illinois.

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

15 The Department may, upon separate written notice to a
16 taxpayer, require the taxpayer to prepare and file with the
17 Department on a form prescribed by the Department within not
18 less than 60 days after receipt of the notice an annual
19 information return for the tax year specified in the notice.
20 Such annual return to the Department shall include a statement
21 of gross receipts as shown by the retailer's last Federal
22 income tax return. If the total receipts of the business as
23 reported in the Federal income tax return do not agree with the
24 gross receipts reported to the Department of Revenue for the
25 same period, the retailer shall attach to his annual return a
26 schedule showing a reconciliation of the 2 amounts and the

1 reasons for the difference. The retailer's annual return to the
2 Department shall also disclose the cost of goods sold by the
3 retailer during the year covered by such return, opening and
4 closing inventories of such goods for such year, costs of goods
5 used from stock or taken from stock and given away by the
6 retailer during such year, payroll information of the
7 retailer's business during such year and any additional
8 reasonable information which the Department deems would be
9 helpful in determining the accuracy of the monthly, quarterly
10 or annual returns filed by such retailer as provided for in
11 this Section.

12 If the annual information return required by this Section
13 is not filed when and as required, the taxpayer shall be liable
14 as follows:

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

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

25 The chief executive officer, proprietor, owner or highest
26 ranking manager shall sign the annual return to certify the

1 accuracy of the information contained therein. Any person who
2 willfully signs the annual return containing false or
3 inaccurate information shall be guilty of perjury and punished
4 accordingly. The annual return form prescribed by the
5 Department shall include a warning that the person signing the
6 return may be liable for perjury.

7 The provisions of this Section concerning the filing of an
8 annual information return do not apply to a retailer who is not
9 required to file an income tax return with the United States
10 Government.

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

18 Net revenue realized for a month shall be the revenue
19 collected by the State pursuant to this Act, less the amount
20 paid out during that month as refunds to taxpayers for
21 overpayment of liability.

22 For greater simplicity of administration, manufacturers,
23 importers and wholesalers whose products are sold at retail in
24 Illinois by numerous retailers, and who wish to do so, may
25 assume the responsibility for accounting and paying to the
26 Department all tax accruing under this Act with respect to such

1 sales, if the retailers who are affected do not make written
2 objection to the Department to this arrangement.

3 Any person who promotes, organizes, provides retail
4 selling space for concessionaires or other types of sellers at
5 the Illinois State Fair, DuQuoin State Fair, county fairs,
6 local fairs, art shows, flea markets and similar exhibitions or
7 events, including any transient merchant as defined by Section
8 2 of the Transient Merchant Act of 1987, is required to file a
9 report with the Department providing the name of the merchant's
10 business, the name of the person or persons engaged in
11 merchant's business, the permanent address and Illinois
12 Retailers Occupation Tax Registration Number of the merchant,
13 the dates and location of the event and other reasonable
14 information that the Department may require. The report must be
15 filed not later than the 20th day of the month next following
16 the month during which the event with retail sales was held.
17 Any person who fails to file a report required by this Section
18 commits a business offense and is subject to a fine not to
19 exceed \$250.

20 Any person engaged in the business of selling tangible
21 personal property at retail as a concessionaire or other type
22 of seller at the Illinois State Fair, county fairs, art shows,
23 flea markets and similar exhibitions or events, or any
24 transient merchants, as defined by Section 2 of the Transient
25 Merchant Act of 1987, may be required to make a daily report of
26 the amount of such sales to the Department and to make a daily

1 payment of the full amount of tax due. The Department shall
2 impose this requirement when it finds that there is a
3 significant risk of loss of revenue to the State at such an
4 exhibition or event. Such a finding shall be based on evidence
5 that a substantial number of concessionaires or other sellers
6 who are not residents of Illinois will be engaging in the
7 business of selling tangible personal property at retail at the
8 exhibition or event, or other evidence of a significant risk of
9 loss of revenue to the State. The Department shall notify
10 concessionaires and other sellers affected by the imposition of
11 this requirement. In the absence of notification by the
12 Department, the concessionaires and other sellers shall file
13 their returns as otherwise required in this Section.

14 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
15 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
16 97-333, eff. 8-12-11.)

17 Section 99. Effective date. This Act takes effect upon
18 becoming law.