

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Section
5 19 as follows:

6 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

7 Sec. 19. If it shall appear that an amount of tax or
8 penalty or interest has been paid in error hereunder to the
9 Department by a purchaser, as distinguished from the retailer,
10 whether such amount be paid through a mistake of fact or an
11 error of law, such purchaser may file a claim for credit or
12 refund with the Department in accordance with Sections 6, 6a,
13 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act. If it
14 shall appear that an amount of tax or penalty or interest has
15 been paid in error to the Department hereunder by a retailer
16 who is required or authorized to collect and remit the use tax,
17 whether such amount be paid through a mistake of fact or an
18 error of law, such retailer may file a claim for credit or
19 refund with the Department in accordance with Sections 6, 6a,
20 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act,
21 provided that no credit or refund shall be allowed for any
22 amount paid by any such retailer unless it shall appear that he
23 bore the burden of such amount and did not shift the burden

1 thereof to anyone else (as in the case of a duplicated tax
2 payment which the retailer made to the Department and did not
3 collect from anyone else), or unless it shall appear that he or
4 she or his or her legal representative has unconditionally
5 repaid such amount to his vendee (1) who bore the burden
6 thereof and has not shifted such burden directly or indirectly
7 in any manner whatsoever; (2) who, if he has shifted such
8 burden, has repaid unconditionally such amount to his or her
9 own vendee, and (3) who is not entitled to receive any
10 reimbursement therefor from any other source than from his
11 vendor, nor to be relieved of such burden in any other manner
12 whatsoever. If it shall appear that an amount of tax has been
13 paid in error hereunder by the purchaser to a retailer, who
14 retained such tax as reimbursement for his or her tax liability
15 on the same sale under the Retailers' Occupation Tax Act, and
16 who remitted the amount involved to the Department under the
17 Retailers' Occupation Tax Act, whether such amount be paid
18 through a mistake of fact or an error of law, the procedure for
19 recovering such tax shall be that prescribed in Sections 6, 6a,
20 6b and 6c of the Retailers' Occupation Tax Act.

21 Any credit or refund that is allowed under this Section
22 shall bear interest at the rate and in the manner specified in
23 the Uniform Penalty and Interest Act.

24 Any claim filed hereunder shall be filed upon a form
25 prescribed and furnished by the Department. The claim shall be
26 signed by the claimant (or by the claimant's legal

1 representative if the claimant shall have died or become a
2 person under legal disability), or by a duly authorized agent
3 of the claimant or his or her legal representative.

4 A claim for credit or refund shall be considered to have
5 been filed with the Department on the date upon which it is
6 received by the Department. Upon receipt of any claim for
7 credit or refund filed under this Act, any officer or employee
8 of the Department, authorized in writing by the Director of
9 Revenue to acknowledge receipt of such claims on behalf of the
10 Department, shall execute on behalf of the Department, and
11 shall deliver or mail to the claimant or his duly authorized
12 agent, a written receipt, acknowledging that the claim has been
13 filed with the Department, describing the claim in sufficient
14 detail to identify it and stating the date upon which the claim
15 was received by the Department. Such written receipt shall be
16 prima facie evidence that the Department received the claim
17 described in such receipt and shall be prima facie evidence of
18 the date when such claim was received by the Department. In the
19 absence of such a written receipt, the records of the
20 Department as to when the claim was received by the Department,
21 or as to whether or not the claim was received at all by the
22 Department, shall be deemed to be prima facie correct upon
23 these questions in the event of any dispute between the
24 claimant (or his or her legal representative) and the
25 Department concerning these questions.

26 In case the Department determines that the claimant is

1 entitled to a refund, such refund shall be made only from such
2 appropriation as may be available for that purpose. If it
3 appears unlikely that the amount appropriated would permit
4 everyone having a claim allowed during the period covered by
5 such appropriation to elect to receive a cash refund, the
6 Department, by rule or regulation, shall provide for the
7 payment of refunds in hardship cases and shall define what
8 types of cases qualify as hardship cases.

9 If a retailer who has failed to pay use tax on gross
10 receipts from retail sales is required by the Department to pay
11 such tax, such retailer, without filing any formal claim with
12 the Department, shall be allowed to take credit against such
13 use tax liability to the extent, if any, to which such retailer
14 has paid an amount equivalent to retailers' occupation tax or
15 has paid use tax in error to his or her vendor or vendors of the
16 same tangible personal property which such retailer bought for
17 resale and did not first use before selling it, and no penalty
18 or interest shall be charged to such retailer on the amount of
19 such credit. However, when such credit is allowed to the
20 retailer by the Department, the vendor is precluded from
21 refunding any of that tax to the retailer and filing a claim
22 for credit or refund with respect thereto with the Department.
23 The provisions of this amendatory Act shall be applied
24 retroactively, regardless of the date of the transaction.

25 (Source: P.A. 90-562, eff. 12-16-97.)

1 Section 10. The Service Occupation Tax Act is amended by
2 changing Section 12 as follows:

3 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

4 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
5 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-54, 2a, 2b, 2c, 3 (except as to
6 the disposition by the Department of the tax collected under
7 this Act), 4 (except that the time limitation provisions shall
8 run from the date when the tax is due rather than from the date
9 when gross receipts are received), 5 (except that the time
10 limitation provisions on the issuance of notices of tax
11 liability shall run from the date when the tax is due rather
12 than from the date when gross receipts are received), 5a, 5b,
13 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 6d, 7, 8, 9, 10, 11 and 12 of
14 the "Retailers' Occupation Tax Act" which are not inconsistent
15 with this Act, and Section 3-7 of the Uniform Penalty and
16 Interest Act shall apply, as far as practicable, to the subject
17 matter of this Act to the same extent as if such provisions
18 were included herein.

19 (Source: P.A. 94-781, eff. 5-19-06; 94-1021, eff. 7-12-06;
20 95-331, eff. 8-21-07.)

21 Section 15. The Retailers' Occupation Tax Act is amended by
22 adding Section 6d as follows:

23 (35 ILCS 120/6d new)

1 Sec. 6d. Deduction for uncollectible debt.

2 (a) A retailer is relieved from liability for any tax that
3 becomes due and payable if the tax is represented by amounts
4 that are found to be worthless or uncollectible, have been
5 charged off in accordance with generally accepted accounting
6 principles, and will be claimed as a deduction pursuant to
7 Section 166 of the Internal Revenue Code. A retailer that has
8 previously paid such a tax may, under rules and regulations
9 adopted by the Department, take as a deduction the amount
10 charged off by the retailer. If these accounts are thereafter,
11 in whole or in part, collected by the retailer, the amount
12 collected shall be included in the first return filed after the
13 collection, and the tax shall be paid with the return.

14 (b) With respect to the payment of taxes on purchases made
15 through a private-label credit card:

16 (1) If consumer accounts or receivables are found to be
17 worthless or uncollectible, the retailer may claim a
18 deduction on a return in an amount equal to, or may obtain
19 a refund of, the tax remitted by the retailer on the unpaid
20 balance due if:

21 (A) the accounts or receivables have been charged
22 off as bad debt on the lender's books and records on or
23 after January 1, 2015; and

24 (B) a deduction was not previously claimed and a
25 refund was not previously allowed on that portion of
26 the account or receivable.

1 (2) If the retailer or the lender subsequently
2 collects, in whole or in part, the accounts or receivables
3 for which a deduction or refund has been granted under
4 paragraph (1), the retailer must include the taxable
5 percentage of the amount collected in the first return
6 filed after the collection and pay the tax on the portion
7 of that amount for which a deduction or refund was granted.

8 (3) The deduction or refund allowed under this Section:

9 (A) does not apply to credit sale transaction
10 amounts resulting from purchases of titled property;

11 (B) includes only those credit sale transaction
12 amounts that represent purchases from the retailer
13 whose name or logo appears on the private label credit
14 card used to make those purchases; and

15 (C) includes all credit sale transaction amounts
16 eligible under paragraph (B) that are outstanding with
17 respect to the specific private-label credit card
18 account or receivable at the time the account or
19 receivable is charged off, regardless of the date the
20 credit sale transaction actually occurred.

21 (4) The retailer and lender shall maintain adequate
22 books, records, or other documentation supporting the
23 charge off of the accounts or receivables for which a
24 deduction was taken or a refund was claimed under this
25 Section. A retailer claiming a deduction or refund for bad
26 debts from a private label credit card may not be allowed

1 to meet a lesser standard of documentation than a retailer
2 that claims a deduction or refund for bad debts that are
3 not from a private label credit card. For purposes of
4 computing the deduction or refund, payments on the accounts
5 or receivables shall be prorated against the amounts
6 outstanding on the account.

7 (c) For purposes of this Section:

8 (1) "Retailer" means a person who holds himself or
9 herself out as being engaged (or who habitually engages) in
10 selling tangible personal property at retail with respect
11 to such sales and includes a retailer's affiliates or
12 franchisees.

13 (2) "Lender" means a person, or an affiliate, assignee,
14 or transferee of that person, who owns or has owned a
15 private-label credit card account or an interest in a
16 private-label credit card receivable that the person:

17 (A) purchased directly from a retailer who
18 remitted the tax imposed under this Act;

19 (B) originated pursuant to that person's contract
20 with the retailer who remitted the tax imposed under
21 this Act; or

22 (C) acquired from a third party.

23 (3) "Private-label credit card" means a charge card or
24 credit card that carries, refers to, or is branded with the
25 name or logo of a retailer and may only be used to make
26 purchases from that retailer or that retailer's affiliates

1 and franchisees.

2 (4) "Affiliate" means an entity affiliated under
3 Section 1504 of the Internal Revenue Code, or an entity
4 that would be an affiliate under that Section had the
5 entity been a corporation.

6 (d) This Section is exempt from the provisions of Section
7 2-70 of this Act, Section 3-90 of the Use Tax Act, Section 3-55
8 of the Service Use Tax Act, Section 3-55 of the Service
9 Occupation Tax Act, and any other provision of law that
10 provides that an exemption, credit, or deduction automatically
11 sunsets after a specified period of time after the effective
12 date of the Public Act creating the exemption, credit, or
13 deduction.

14 Section 20. The Counties Code is amended by changing
15 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

16 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

17 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
18 Law. Any county that is a home rule unit may impose a tax upon
19 all persons engaged in the business of selling tangible
20 personal property, other than an item of tangible personal
21 property titled or registered with an agency of this State's
22 government, at retail in the county on the gross receipts from
23 such sales made in the course of their business. If imposed,
24 this tax shall only be imposed in 1/4% increments. On and after

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 imposing the tax.

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

7 The county clerk shall certify the question to the proper
8 election authority, who shall submit the proposition at an
9 election in accordance with the general election law.

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

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

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

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

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

26 "To pay for public safety purposes, shall (name of

1 county) be authorized to impose an increase on its share of
2 local sales taxes by (insert rate) for a period not to
3 exceed (insert number of years)?"

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

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

12 For the purposes of the paragraph, "public safety
13 purposes" means crime prevention, detention, fire
14 fighting, police, medical, ambulance, or other emergency
15 services.

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

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

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

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

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

1 tangible personal property bought at retail."

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

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

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

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

20 For the purposes of this paragraph, transportation
21 purposes means construction, maintenance, operation, and
22 improvement of public highways, any other purpose for which
23 a county may expend funds under the Illinois Highway Code,
24 and passenger rail transportation.

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

26 (3) The proposition for public facilities purposes

1 shall be in substantially the following form:

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

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

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

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

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

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

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

1 vote of the county board."

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

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

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

18 This additional tax may not be imposed on the sales of food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, soft drinks,
21 and food which has been prepared for immediate consumption) and
22 prescription and non-prescription medicines, drugs, medical
23 appliances and insulin, urine testing materials, syringes, and
24 needles used by diabetics. The tax imposed by a county under
25 this Section and all civil penalties that may be assessed as an
26 incident of the tax shall be collected and enforced by the

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

1 set forth in this Section.

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

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the County Public Safety or Transportation
16 Retailers' Occupation Tax Fund.

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

1 medicines, drugs, medical appliances and insulin, urine
2 testing materials, syringes, and needles used by diabetics. The
3 tax imposed under this subsection and all civil penalties that
4 may be assessed as an incident thereof shall be collected and
5 enforced by the Department of Revenue. The Department has full
6 power to administer and enforce this subsection; to collect all
7 taxes and penalties due hereunder; to dispose of taxes and
8 penalties so collected in the manner hereinafter provided; and
9 to determine all rights to credit memoranda arising on account
10 of the erroneous payment of tax or penalty hereunder. In the
11 administration of, and compliance with this subsection, the
12 Department and persons who are subject to this paragraph shall
13 (i) have the same rights, remedies, privileges, immunities,
14 powers, and duties, (ii) be subject to the same conditions,
15 restrictions, limitations, penalties, exclusions, exemptions,
16 and definitions of terms, and (iii) employ the same modes of
17 procedure as are prescribed in Sections 2 (except that the
18 reference to State in the definition of supplier maintaining a
19 place of business in this State shall mean the county), 2a, 2b,
20 2c, 3 through 3-50 (in respect to all provisions therein other
21 than the State rate of tax), 4 (except that the reference to
22 the State shall be to the county), 5, 7, 8 (except that the
23 jurisdiction to which the tax shall be a debt to the extent
24 indicated in that Section 8 shall be the county), 9 (except as
25 to the disposition of taxes and penalties collected), 10, 11,
26 12 (except the reference therein to Section 2b of the

1 Retailers' Occupation Tax Act), 13 (except that any reference
2 to the State shall mean the county), Section 15, 16, 17, 18, 19
3 and 20 of the Service Occupation Tax Act and Section 3-7 of the
4 Uniform Penalty and Interest Act, as fully as if those
5 provisions were set forth herein.

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

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

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

26 (c) The Department shall immediately pay over to the State

1 Treasurer, ex officio, as trustee, all taxes and penalties
2 collected under this Section to be deposited into the County
3 Public Safety or Transportation Retailers' Occupation Tax
4 Fund, which shall be an unappropriated trust fund held outside
5 of the State treasury.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the counties from which
18 retailers have paid taxes or penalties to the Department during
19 the second preceding calendar month. The amount to be paid to
20 each county, and deposited by the county into its special fund
21 created for the purposes of this Section, shall be the amount
22 (not including credit memoranda) collected under this Section
23 during the second preceding calendar month by the Department
24 plus an amount the Department determines is necessary to offset
25 any amounts that were erroneously paid to a different taxing
26 body, and not including (i) an amount equal to the amount of

1 refunds made during the second preceding calendar month by the
2 Department on behalf of the county, (ii) any amount that the
3 Department determines is necessary to offset any amounts that
4 were payable to a different taxing body but were erroneously
5 paid to the county, and (iii) any amounts that are transferred
6 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
7 the Comptroller of the disbursement certification to the
8 counties provided for in this Section to be given to the
9 Comptroller by the Department, the Comptroller shall cause the
10 orders to be drawn for the respective amounts in accordance
11 with directions contained in the certification.

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

1 A county may direct, by ordinance, that all or a portion of
2 the taxes and penalties collected under the Special County
3 Retailers' Occupation Tax For Public Safety or Transportation
4 be deposited into the Transportation Development Partnership
5 Trust Fund.

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

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

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

25 (f) Beginning April 1, 1998 and through December 31, 2013,
26 the results of any election authorizing a proposition to impose

1 a tax under this Section or effecting a change in the rate of
2 tax, or any ordinance lowering the rate or discontinuing the
3 tax, shall be certified by the county clerk and filed with the
4 Illinois Department of Revenue either (i) on or before the
5 first day of April, whereupon the Department shall proceed to
6 administer and enforce the tax as of the first day of July next
7 following the filing; or (ii) on or before the first day of
8 October, whereupon the Department shall proceed to administer
9 and enforce the tax as of the first day of January next
10 following the filing.

11 Beginning January 1, 2014, the results of any election
12 authorizing a proposition to impose a tax under this Section or
13 effecting an increase in the rate of tax, along with the
14 ordinance adopted to impose the tax or increase the rate of the
15 tax, or any ordinance adopted to lower the rate or discontinue
16 the tax, shall be certified by the county clerk and filed with
17 the Illinois Department of Revenue either (i) on or before the
18 first day of May, whereupon the Department shall proceed to
19 administer and enforce the tax as of the first day of July next
20 following the adoption and filing; or (ii) on or before the
21 first day of October, whereupon the Department shall proceed to
22 administer and enforce the tax as of the first day of January
23 next following the adoption and filing.

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

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

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

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

1 by the county for the furnishing of governmental services to
2 its citizens, including but not limited to museums and nursing
3 homes.

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

8 (Source: P.A. 98-584, eff. 8-27-13.)

9 (55 ILCS 5/5-1006.7)

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

11 (a) In any county, a tax shall be imposed upon all persons
12 engaged in the business of selling tangible personal property,
13 other than personal property titled or registered with an
14 agency of this State's government, at retail in the county on
15 the gross receipts from the sales made in the course of
16 business to provide revenue to be used exclusively for school
17 facility purposes if a proposition for the tax has been
18 submitted to the electors of that county and approved by a
19 majority of those voting on the question as provided in
20 subsection (c). The tax under this Section shall be imposed
21 only in one-quarter percent increments and may not exceed 1%.

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

1 prescription and non-prescription medicines, drugs, medical
2 appliances and insulin, urine testing materials, syringes and
3 needles used by diabetics. The Department of Revenue has full
4 power to administer and enforce this subsection, to collect all
5 taxes and penalties due under this subsection, to dispose of
6 taxes and penalties so collected in the manner provided in this
7 subsection, and to determine all rights to credit memoranda
8 arising on account of the erroneous payment of a tax or penalty
9 under this subsection. The Department shall deposit all taxes
10 and penalties collected under this subsection into a special
11 fund created for that purpose.

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

26 The certificate of registration that is issued by the

1 Department to a retailer under the Retailers' Occupation Tax
2 Act permits the retailer to engage in a business that is
3 taxable without registering separately with the Department
4 under an ordinance or resolution under this subsection.

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

12 (b) If a tax has been imposed under subsection (a), then a
13 service occupation tax must also be imposed at the same rate
14 upon all persons engaged, in the county, in the business of
15 making sales of service, who, as an incident to making those
16 sales of service, transfer tangible personal property within
17 the county as an incident to a sale of service.

18 This tax may not be imposed on sales of food for human
19 consumption that is to be consumed off the premises where it is
20 sold (other than alcoholic beverages, soft drinks, and food
21 prepared for immediate consumption) and prescription and
22 non-prescription medicines, drugs, medical appliances and
23 insulin, urine testing materials, syringes, and needles used by
24 diabetics.

25 The tax imposed under this subsection and all civil
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the Department and deposited into a
2 special fund created for that purpose. The Department has full
3 power to administer and enforce this subsection, to collect all
4 taxes and penalties due under this subsection, to dispose of
5 taxes and penalties so collected in the manner provided in this
6 subsection, and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of a tax or penalty
8 under this subsection.

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

1 18, 19, and 20 of the Service Occupation Tax Act and all
2 provisions of the Uniform Penalty and Interest Act, as fully as
3 if those provisions were set forth herein.

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

11 (c) The tax under this Section may not be imposed until the
12 question of imposing the tax has been submitted to the electors
13 of the county at a regular election and approved by a majority
14 of the electors voting on the question. For all regular
15 elections held prior to the effective date of this amendatory
16 Act of the 97th General Assembly, upon a resolution by the
17 county board or a resolution by school district boards that
18 represent at least 51% of the student enrollment within the
19 county, the county board must certify the question to the
20 proper election authority in accordance with the Election Code.

21 For all regular elections held prior to the effective date
22 of this amendatory Act of the 97th General Assembly, the
23 election authority must submit the question in substantially
24 the following form:

25 Shall (name of county) be authorized to impose a
26 retailers' occupation tax and a service occupation tax

1 (commonly referred to as a "sales tax") at a rate of
2 (insert rate) to be used exclusively for school facility
3 purposes?

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

5 If a majority of the electors voting on the question vote
6 in the affirmative, then the county may, thereafter, impose the
7 tax.

8 For all regular elections held on or after the effective
9 date of this amendatory Act of the 97th General Assembly, the
10 regional superintendent of schools for the county must, upon
11 receipt of a resolution or resolutions of school district
12 boards that represent more than 50% of the student enrollment
13 within the county, certify the question to the proper election
14 authority for submission to the electors of the county at the
15 next regular election at which the question lawfully may be
16 submitted to the electors, all in accordance with the Election
17 Code.

18 For all regular elections held on or after the effective
19 date of this amendatory Act of the 97th General Assembly, the
20 election authority must submit the question in substantially
21 the following form:

22 Shall a retailers' occupation tax and a service
23 occupation tax (commonly referred to as a "sales tax") be
24 imposed in (name of county) at a rate of (insert rate) to
25 be used exclusively for school facility purposes?

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

1 If a majority of the electors voting on the question vote
2 in the affirmative, then the tax shall be imposed at the rate
3 set forth in the question.

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

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

14 On or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to the regional
17 superintendents of schools in counties from which retailers or
18 servicemen have paid taxes or penalties to the Department
19 during the second preceding calendar month. The amount to be
20 paid to each regional superintendent of schools and disbursed
21 to him or her in accordance with Section 3-14.31 of the School
22 Code, is equal to the amount (not including credit memoranda)
23 collected from the county under this Section during the second
24 preceding calendar month by the Department, (i) less 2% of that
25 amount, which shall be deposited into the Tax Compliance and
26 Administration Fund and shall be used by the Department,

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

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

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

1 and to the person named in the notification from the
2 Department. The refund shall be paid by the Treasurer out of
3 the School Facility Occupation Tax Fund.

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

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

17 (g) If a county board imposes a tax under this Section
18 pursuant to a referendum held before the effective date of this
19 amendatory Act of the 97th General Assembly at a rate below the
20 rate set forth in the question approved by a majority of
21 electors of that county voting on the question as provided in
22 subsection (c), then the county board may, by ordinance,
23 increase the rate of the tax up to the rate set forth in the
24 question approved by a majority of electors of that county
25 voting on the question as provided in subsection (c). If a
26 county board imposes a tax under this Section pursuant to a

1 referendum held before the effective date of this amendatory
2 Act of the 97th General Assembly, then the board may, by
3 ordinance, discontinue or reduce the rate of the tax. If a tax
4 is imposed under this Section pursuant to a referendum held on
5 or after the effective date of this amendatory Act of the 97th
6 General Assembly, then the county board may reduce or
7 discontinue the tax, but only in accordance with subsection
8 (h-5) of this Section. If, however, a school board issues bonds
9 that are secured by the proceeds of the tax under this Section,
10 then the county board may not reduce the tax rate or
11 discontinue the tax if that rate reduction or discontinuance
12 would adversely affect the school board's ability to pay the
13 principal and interest on those bonds as they become due or
14 necessitate the extension of additional property taxes to pay
15 the principal and interest on those bonds. If the county board
16 reduces the tax rate or discontinues the tax, then a referendum
17 must be held in accordance with subsection (c) of this Section
18 in order to increase the rate of the tax or to reimpose the
19 discontinued tax.

20 Until January 1, 2014, the results of any election that
21 imposes, reduces, or discontinues a tax under this Section must
22 be certified by the election authority, and any ordinance that
23 increases or lowers the rate or discontinues the tax must be
24 certified by the county clerk and, in each case, filed with the
25 Illinois Department of Revenue either (i) on or before the
26 first day of April, whereupon the Department shall proceed to

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

6 Beginning January 1, 2014, the results of any election that
7 imposes, reduces, or discontinues a tax under this Section must
8 be certified by the election authority, and any ordinance that
9 increases or lowers the rate or discontinues the tax must be
10 certified by the county clerk and, in each case, filed with the
11 Illinois Department of Revenue either (i) on or before the
12 first day of May, whereupon the Department shall proceed to
13 administer and enforce the tax or change in the rate as of the
14 first day of July next following the filing; or (ii) on or
15 before the first day of October, whereupon the Department shall
16 proceed to administer and enforce the tax or change in the rate
17 as of the first day of January next following the filing.

18 (h) For purposes of this Section, "school facility
19 purposes" means (i) the acquisition, development,
20 construction, reconstruction, rehabilitation, improvement,
21 financing, architectural planning, and installation of capital
22 facilities consisting of buildings, structures, and durable
23 equipment and for the acquisition and improvement of real
24 property and interest in real property required, or expected to
25 be required, in connection with the capital facilities and (ii)
26 the payment of bonds or other obligations heretofore or

1 hereafter issued, including bonds or other obligations
2 heretofore or hereafter issued to refund or to continue to
3 refund bonds or other obligations issued, for school facility
4 purposes, provided that the taxes levied to pay those bonds are
5 abated by the amount of the taxes imposed under this Section
6 that are used to pay those bonds. "School-facility purposes"
7 also includes fire prevention, safety, energy conservation,
8 disabled accessibility, school security, and specified repair
9 purposes set forth under Section 17-2.11 of the School Code.

10 (h-5) A county board in a county where a tax has been
11 imposed under this Section pursuant to a referendum held on or
12 after the effective date of this amendatory Act of the 97th
13 General Assembly may, by ordinance or resolution, submit to the
14 voters of the county the question of reducing or discontinuing
15 the tax. In the ordinance or resolution, the county board shall
16 certify the question to the proper election authority in
17 accordance with the Election Code. The election authority must
18 submit the question in substantially the following form:

19 Shall the school facility retailers' occupation tax
20 and service occupation tax (commonly referred to as the
21 "school facility sales tax") currently imposed in (name of
22 county) at a rate of (insert rate) be (reduced to (insert
23 rate)) (discontinued)?

24 If a majority of the electors voting on the question vote in
25 the affirmative, then, subject to the provisions of subsection
26 (g) of this Section, the tax shall be reduced or discontinued

1 as set forth in the question.

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

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

5 (Source: P.A. 97-542, eff. 8-23-11; 97-813, eff. 7-13-12;
6 98-584, eff. 8-27-13.)

7 Section 25. The Illinois Municipal Code is amended by
8 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

9 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

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

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

1 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
2 Section 3-7 of the Uniform Penalty and Interest Act, as fully
3 as if those provisions were set forth herein.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 proceed to administer and enforce this Section as of October 1,
2 1994. Beginning April 1, 1998, an ordinance or resolution
3 imposing or discontinuing the tax hereunder or effecting a
4 change in the rate thereof shall either (i) be adopted and a
5 certified copy thereof filed with the Department on or before
6 the first day of April, whereupon the Department shall proceed
7 to administer and enforce this Section as of the first day of
8 July next following the adoption and filing; or (ii) be adopted
9 and a certified copy thereof filed with the Department on or
10 before the first day of October, whereupon the Department shall
11 proceed to administer and enforce this Section as of the first
12 day of January next following the adoption and filing.

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

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

1 liability periods prior to January 1, 1990, shall be paid into
2 the Local Government Tax Fund for distribution before July 1,
3 1990, as provided by this Section prior to the enactment of
4 Public Act 85-1135; and on and after July 1, 1990, all such
5 receipts shall be distributed as provided in Section 6z-18 of
6 the State Finance Act.

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

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

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

13 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

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

1 corporate authorities of a non-home rule municipality may,
2 until December 31, 2020, use the proceeds of the tax for
3 expenditure on municipal operations, in addition to or in lieu
4 of any expenditure on public infrastructure or for property tax
5 relief. The tax imposed may not be more than 1% and may be
6 imposed only in 1/4% increments. The tax may not be imposed on
7 the sale of food for human consumption that is to be consumed
8 off the premises where it is sold (other than alcoholic
9 beverages, soft drinks, and food that has been prepared for
10 immediate consumption) and prescription and nonprescription
11 medicines, drugs, medical appliances, and insulin, urine
12 testing materials, syringes, and needles used by diabetics. The
13 tax imposed by a municipality pursuant to this Section and all
14 civil penalties that may be assessed as an incident thereof
15 shall be collected and enforced by the State Department of
16 Revenue. The certificate of registration which is issued by the
17 Department to a retailer under the Retailers' Occupation Tax
18 Act shall permit such retailer to engage in a business which is
19 taxable under any ordinance or resolution enacted pursuant to
20 this Section without registering separately with the
21 Department under such ordinance or resolution or under this
22 Section. The Department shall have full power to administer and
23 enforce this Section; to collect all taxes and penalties due
24 hereunder; to dispose of taxes and penalties so collected in
25 the manner hereinafter provided, and to determine all rights to
26 credit memoranda, arising on account of the erroneous payment

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

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

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

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

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named, in such notification
4 from the Department. Such refund shall be paid by the State
5 Treasurer out of the non-home rule municipal retailers'
6 occupation tax fund.

7 The Department shall forthwith pay over to the State
8 Treasurer, ex officio, as trustee, all taxes and penalties
9 collected hereunder.

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

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

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

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

26 Nothing in this Section shall be construed to authorize a

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

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

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

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

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

18 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
19 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

20 (65 ILCS 5/8-11-1.6)

21 Sec. 8-11-1.6. Non-home rule municipal retailers
22 occupation tax; municipalities between 20,000 and 25,000. The
23 corporate authorities of a non-home rule municipality with a
24 population of more than 20,000 but less than 25,000 that has,
25 prior to January 1, 1987, established a Redevelopment Project

1 Area that has been certified as a State Sales Tax Boundary and
2 has issued bonds or otherwise incurred indebtedness to pay for
3 costs in excess of \$5,000,000, which is secured in part by a
4 tax increment allocation fund, in accordance with the
5 provisions of Division 11-74.4 of this Code may, by passage of
6 an ordinance, impose a tax upon all persons engaged in the
7 business of selling tangible personal property, other than on
8 an item of tangible personal property that is titled and
9 registered by an agency of this State's Government, at retail
10 in the municipality. This tax may not be imposed on the sales
11 of food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages, soft
13 drinks, and food that has been prepared for immediate
14 consumption) and prescription and nonprescription medicines,
15 drugs, medical appliances and insulin, urine testing
16 materials, syringes, and needles used by diabetics. If imposed,
17 the tax shall only be imposed in .25% increments of the gross
18 receipts from such sales made in the course of business. Any
19 tax imposed by a municipality under this Sec. and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. An
22 ordinance imposing a tax hereunder or effecting a change in the
23 rate thereof shall be adopted and a certified copy thereof
24 filed with the Department on or before the first day of
25 October, whereupon the Department shall proceed to administer
26 and enforce this Section as of the first day of January next

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (70 ILCS 750/25)

4 Sec. 25. Flood prevention retailers' and service
5 occupation taxes.

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

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

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

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

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

1 also be imposed under subsection (b) of this Section.

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

16 The tax imposed under this subsection and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce this
20 subsection; to collect all taxes and penalties due hereunder;
21 to dispose of taxes and penalties collected in the manner
22 hereinafter provided; and to determine all rights to credit
23 memoranda arising on account of the erroneous payment of tax or
24 penalty hereunder.

25 In the administration of and compliance with this
26 subsection, the Department and persons who are subject to this

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

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

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

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

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

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

26 On or before the 25th day of each calendar month, the

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

25 Within 10 days after receipt by the Comptroller from the
26 Department of the disbursement certification to the counties

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

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

11 (g) If a county imposes a tax under this Section, then the
12 county board shall, by ordinance, discontinue the tax upon the
13 payment of all indebtedness of the flood prevention district.
14 The tax shall not be discontinued until all indebtedness of the
15 District has been paid.

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

26 (j) County Flood Prevention Occupation Tax Fund. All

1 proceeds received by a county from a tax distribution under
2 this Section must be maintained in a special fund known as the
3 [name of county] flood prevention occupation tax fund. The
4 county shall, at the direction of the flood prevention
5 district, use moneys in the fund to pay the costs of providing
6 emergency levee repair and flood prevention and to pay bonds,
7 notes, and other evidences of indebtedness issued under this
8 Act.

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

11 (Source: P.A. 96-939, eff. 6-24-10; 97-188, eff. 7-22-11.)

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

14 (70 ILCS 1605/30)

15 Sec. 30. Taxes.

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

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

1 where it is sold (other than alcoholic beverages, soft drinks,
2 and food which has been prepared for immediate consumption) and
3 prescription and non-prescription medicines, drugs, medical
4 appliances, and insulin, urine testing materials, syringes,
5 and needles used by diabetics. The tax imposed by the Board
6 under this Section and all civil penalties that may be assessed
7 as an incident of the tax shall be collected and enforced by
8 the Department of Revenue. The certificate of registration that
9 is issued by the Department to a retailer under the Retailers'
10 Occupation Tax Act shall permit the retailer to engage in a
11 business that is taxable without registering separately with
12 the Department under an ordinance or resolution under this
13 Section. The Department has full power to administer and
14 enforce this Section, to collect all taxes and penalties due
15 under this Section, to dispose of taxes and penalties so
16 collected in the manner provided in this Section, and to
17 determine all rights to credit memoranda arising on account of
18 the erroneous payment of a tax or penalty under this Section.
19 In the administration of and compliance with this Section, the
20 Department and persons who are subject to this Section shall
21 (i) have the same rights, remedies, privileges, immunities,
22 powers, and duties, (ii) be subject to the same conditions,
23 restrictions, limitations, penalties, and definitions of
24 terms, and (iii) employ the same modes of procedure as are
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
26 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained

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

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

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

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

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

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

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

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

1 District Fund.

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

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

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

23 After the monthly transfer to the STAR Bonds Revenue Fund,
24 on or before the 25th day of each calendar month, the
25 Department shall prepare and certify to the Comptroller the
26 disbursement of stated sums of money pursuant to Section 35 of

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

20 (d) For the purpose of determining whether a tax authorized
21 under this Section is applicable, a retail sale by a producer
22 of coal or another mineral mined in Illinois is a sale at
23 retail at the place where the coal or other mineral mined in
24 Illinois is extracted from the earth. This paragraph does not
25 apply to coal or another mineral when it is delivered or
26 shipped by the seller to the purchaser at a point outside

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

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

7 (f) An ordinance imposing a tax under this Section or an
8 ordinance extending the imposition of a tax to an additional
9 county or counties shall be certified by the board and filed
10 with the Department of Revenue either (i) on or before the
11 first day of April, whereupon the Department shall proceed to
12 administer and enforce the tax as of the first day of July next
13 following the filing; or (ii) on or before the first day of
14 October, whereupon the Department shall proceed to administer
15 and enforce the tax as of the first day of January next
16 following the filing.

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

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

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

1 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

2 Sec. 5.01. Metro East Mass Transit District; use and
3 occupation taxes.

4 (a) The Board of Trustees of any Metro East Mass Transit
5 District may, by ordinance adopted with the concurrence of
6 two-thirds of the then trustees, impose throughout the District
7 any or all of the taxes and fees provided in this Section. All
8 taxes and fees imposed under this Section shall be used only
9 for public mass transportation systems, and the amount used to
10 provide mass transit service to unserved areas of the District
11 shall be in the same proportion to the total proceeds as the
12 number of persons residing in the unserved areas is to the
13 total population of the District. Except as otherwise provided
14 in this Act, taxes imposed under this Section and civil
15 penalties imposed incident thereto shall be collected and
16 enforced by the State Department of Revenue. The Department
17 shall have the power to administer and enforce the taxes and to
18 determine all rights for refunds for erroneous payments of the
19 taxes.

20 (b) The Board may impose a Metro East Mass Transit District
21 Retailers' Occupation Tax upon all persons engaged in the
22 business of selling tangible personal property at retail in the
23 district at a rate of 1/4 of 1%, or as authorized under
24 subsection (d-5) of this Section, of the gross receipts from
25 the sales made in the course of such business within the

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

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

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

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

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

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

23 No tax shall be imposed or collected under this subsection
24 on the sale of a motor vehicle in this State to a resident of
25 another state if that motor vehicle will not be titled in this
26 State.

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

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

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

22 Persons subject to any tax imposed under the authority
23 granted in this paragraph may reimburse themselves for their
24 serviceman's tax liability hereunder by separately stating the
25 tax as an additional charge, which charge may be stated in
26 combination, in a single amount, with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, in
2 accordance with such bracket schedules as the Department may
3 prescribe.

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

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

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

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

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

1 State rate of tax, and except provisions concerning collection
2 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
3 19 (except the portions pertaining to claims by retailers and
4 except the last paragraph concerning refunds), 20, 21 and 22 of
5 the Use Tax Act and Section 3-7 of the Uniform Penalty and
6 Interest Act, that are not inconsistent with this paragraph, as
7 fully as if those provisions were set forth herein.

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

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

1 The proposition shall be in substantially the following
2 form:

3 Shall the tax rates for the Metro East Mass Transit
4 District Retailers' Occupation Tax, the Metro East Mass
5 Transit District Service Occupation Tax, and the Metro East
6 Mass Transit District Use Tax be increased from 0.25% to
7 0.75%?

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

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

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

26 The form of the petition shall be in substantially the

1 following form: To the Circuit Court of the County of (name of
2 county):

3 We, the undersigned electors of the (name of transit
4 district), respectfully petition your honor to submit to a
5 vote of the electors of (name of transit district) the
6 following proposition:

7 Shall the tax rates for the Metro East Mass Transit
8 District Retailers' Occupation Tax, the Metro East Mass
9 Transit District Service Occupation Tax, and the Metro East
10 Mass Transit District Use Tax be increased from 0.25% to
11 0.75%?

| 12 | Name | Address, with Street and Number. |
|----|-------|----------------------------------|
| 13 | | |
| 14 | | |

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

1 day of April, whereupon the Department shall proceed to
2 administer and enforce this Section as of the first day of July
3 next following the adoption and filing.

4 (D) If the voters have approved a referendum under this
5 subsection, before November 1, 1994, to increase the tax rate
6 under this subsection, the Metro East Mass Transit District
7 Board of Trustees may adopt by a majority vote an ordinance at
8 any time before January 1, 1995 that excludes from the rate
9 increase tangible personal property that is titled or
10 registered with an agency of this State's government. The
11 ordinance excluding titled or registered tangible personal
12 property from the rate increase must be filed with the
13 Department at least 15 days before its effective date. At any
14 time after adopting an ordinance excluding from the rate
15 increase tangible personal property that is titled or
16 registered with an agency of this State's government, the Metro
17 East Mass Transit District Board of Trustees may adopt an
18 ordinance applying the rate increase to that tangible personal
19 property. The ordinance shall be adopted, and a certified copy
20 of that ordinance shall be filed with the Department, on or
21 before October 1, whereupon the Department shall proceed to
22 administer and enforce the rate increase against tangible
23 personal property titled or registered with an agency of this
24 State's government as of the following January 1. After
25 December 31, 1995, any reimposed rate increase in effect under
26 this subsection shall no longer apply to tangible personal

1 property titled or registered with an agency of this State's
2 government. Beginning January 1, 1996, the Board of Trustees of
3 any Metro East Mass Transit District may never reimpose a
4 previously excluded tax rate increase on tangible personal
5 property titled or registered with an agency of this State's
6 government. After July 1, 2004, if the voters have approved a
7 referendum under this subsection to increase the tax rate under
8 this subsection, the Metro East Mass Transit District Board of
9 Trustees may adopt by a majority vote an ordinance that
10 excludes from the rate increase tangible personal property that
11 is titled or registered with an agency of this State's
12 government. The ordinance excluding titled or registered
13 tangible personal property from the rate increase shall be
14 adopted, and a certified copy of that ordinance shall be filed
15 with the Department on or before October 1, whereupon the
16 Department shall administer and enforce this exclusion from the
17 rate increase as of the following January 1, or on or before
18 April 1, whereupon the Department shall administer and enforce
19 this exclusion from the rate increase as of the following July
20 1. The Board of Trustees of any Metro East Mass Transit
21 District may never reimpose a previously excluded tax rate
22 increase on tangible personal property titled or registered
23 with an agency of this State's government.

24 (d-6) If the Board of Trustees of any Metro East Mass
25 Transit District has imposed a rate increase under subsection
26 (d-5) and filed an ordinance with the Department of Revenue

1 excluding titled property from the higher rate, then that Board
2 may, by ordinance adopted with the concurrence of two-thirds of
3 the then trustees, impose throughout the District a fee. The
4 fee on the excluded property shall not exceed \$20 per retail
5 transaction or an amount equal to the amount of tax excluded,
6 whichever is less, on tangible personal property that is titled
7 or registered with an agency of this State's government.
8 Beginning July 1, 2004, the fee shall apply only to titled
9 property that is subject to either the Metro East Mass Transit
10 District Retailers' Occupation Tax or the Metro East Mass
11 Transit District Service Occupation Tax. No fee shall be
12 imposed or collected under this subsection on the sale of a
13 motor vehicle in this State to a resident of another state if
14 that motor vehicle will not be titled in this State.

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

21 (d-7.1) Beginning July 1, 2004, any fee imposed by the
22 Board of Trustees of any Metro East Mass Transit District under
23 subsection (d-6) and all civil penalties that may be assessed
24 as an incident of the fees shall be collected and enforced by
25 the State Department of Revenue. Reference to "taxes" in this
26 Section shall be construed to apply to the administration,

1 payment, and remittance of all fees under this Section. For
2 purposes of any fee imposed under subsection (d-6), 4% of the
3 fee, penalty, and interest received by the Department in the
4 first 12 months that the fee is collected and enforced by the
5 Department and 2% of the fee, penalty, and interest following
6 the first 12 months shall be deposited into the Tax Compliance
7 and Administration Fund and shall be used by the Department,
8 subject to appropriation, to cover the costs of the Department.
9 No retailers' discount shall apply to any fee imposed under
10 subsection (d-6).

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

15 (d-9) (Blank).

16 (d-10) (Blank).

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

26 (f) (Blank).

1 (g) Any ordinance imposing or discontinuing any tax under
2 this Section shall be adopted and a certified copy thereof
3 filed with the Department on or before June 1, whereupon the
4 Department of Revenue shall proceed to administer and enforce
5 this Section on behalf of the Metro East Mass Transit District
6 as of September 1 next following such adoption and filing.
7 Beginning January 1, 1992, an ordinance or resolution imposing
8 or discontinuing the tax hereunder shall be adopted and a
9 certified copy thereof filed with the Department on or before
10 the first day of July, whereupon the Department shall proceed
11 to administer and enforce this Section as of the first day of
12 October next following such adoption and filing. Beginning
13 January 1, 1993, except as provided in subsection (d-5) of this
14 Section, an ordinance or resolution imposing or discontinuing
15 the tax hereunder shall be adopted and a certified copy thereof
16 filed with the Department on or before the first day of
17 October, whereupon the Department shall proceed to administer
18 and enforce this Section as of the first day of January next
19 following such adoption and filing, or, beginning January 1,
20 2004, on or before the first day of April, whereupon the
21 Department shall proceed to administer and enforce this Section
22 as of the first day of July next following the adoption and
23 filing.

24 (h) Except as provided in subsection (d-7.1), the State
25 Department of Revenue shall, upon collecting any taxes as
26 provided in this Section, pay the taxes over to the State

1 Treasurer as trustee for the District. The taxes shall be held
2 in a trust fund outside the State Treasury.

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

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the State
16 Department of Revenue shall prepare and certify to the
17 Comptroller of the State of Illinois the amount to be paid to
18 the District, which shall be the amount (not including credit
19 memoranda) collected under this Section during the second
20 preceding calendar month by the Department plus an amount the
21 Department determines is necessary to offset any amounts that
22 were erroneously paid to a different taxing body, and not
23 including any amount equal to the amount of refunds made during
24 the second preceding calendar month by the Department on behalf
25 of the District, and not including any amount that the
26 Department determines is necessary to offset any amounts that

1 were payable to a different taxing body but were erroneously
2 paid to the District, and less any amounts that are transferred
3 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
4 the Comptroller of the certification of the amount to be paid
5 to the District, the Comptroller shall cause an order to be
6 drawn for payment for the amount in accordance with the
7 direction in the certification.

8 (Source: P.A. 98-298, eff. 8-9-13.)

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

11 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

12 Sec. 4.03. Taxes.

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

1 requirements to impose a tax shall only apply to actions taken
2 after the effective date of this amendatory Act of the 95th
3 General Assembly.

4 (b) The Board may impose a public transportation tax upon
5 all persons engaged in the metropolitan region in the business
6 of selling at retail motor fuel for operation of motor vehicles
7 upon public highways. The tax shall be at a rate not to exceed
8 5% of the gross receipts from the sales of motor fuel in the
9 course of the business. As used in this Act, the term "motor
10 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
11 The Board may provide for details of the tax. The provisions of
12 any tax shall conform, as closely as may be practicable, to the
13 provisions of the Municipal Retailers Occupation Tax Act,
14 including without limitation, conformity to penalties with
15 respect to the tax imposed and as to the powers of the State
16 Department of Revenue to promulgate and enforce rules and
17 regulations relating to the administration and enforcement of
18 the provisions of the tax imposed, except that reference in the
19 Act to any municipality shall refer to the Authority and the
20 tax shall be imposed only with regard to receipts from sales of
21 motor fuel in the metropolitan region, at rates as limited by
22 this Section.

23 (c) In connection with the tax imposed under paragraph (b)
24 of this Section the Board may impose a tax upon the privilege
25 of using in the metropolitan region motor fuel for the
26 operation of a motor vehicle upon public highways, the tax to

1 be at a rate not in excess of the rate of tax imposed under
2 paragraph (b) of this Section. The Board may provide for
3 details of the tax.

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

24 (e) The Board may impose a Regional Transportation
25 Authority Retailers' Occupation Tax upon all persons engaged in
26 the business of selling tangible personal property at retail in

1 the metropolitan region. In Cook County the tax rate shall be
2 1.25% of the gross receipts from sales of food for human
3 consumption that is to be consumed off the premises where it is
4 sold (other than alcoholic beverages, soft drinks and food that
5 has been prepared for immediate consumption) and prescription
6 and nonprescription medicines, drugs, medical appliances and
7 insulin, urine testing materials, syringes and needles used by
8 diabetics, and 1% of the gross receipts from other taxable
9 sales made in the course of that business. In DuPage, Kane,
10 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
11 of the gross receipts from all taxable sales made in the course
12 of that business. The tax imposed under this Section and all
13 civil penalties that may be assessed as an incident thereof
14 shall be collected and enforced by the State Department of
15 Revenue. The Department shall have full power to administer and
16 enforce this Section; to collect all taxes and penalties so
17 collected in the manner hereinafter provided; and to determine
18 all rights to credit memoranda arising on account of the
19 erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with this Section, the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities, powers
23 and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties, exclusions, exemptions
25 and definitions of terms, and employ the same modes of
26 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,

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

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

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

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

25 For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale by a producer

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

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

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

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

1 incident to a sale of service subject to the service occupation
2 tax by an entity licensed under the Hospital Licensing Act, the
3 Nursing Home Care Act, the Specialized Mental Health
4 Rehabilitation Act of 2013, or the ID/DD Community Care Act
5 that is located in the metropolitan region; (2) 1.25% of the
6 selling price of food for human consumption that is to be
7 consumed off the premises where it is sold (other than
8 alcoholic beverages, soft drinks and food that has been
9 prepared for immediate consumption) and prescription and
10 nonprescription medicines, drugs, medical appliances and
11 insulin, urine testing materials, syringes and needles used by
12 diabetics; and (3) 1% of the selling price from other taxable
13 sales of tangible personal property transferred. In DuPage,
14 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
15 of the selling price of all tangible personal property
16 transferred.

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

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

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

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

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

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

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

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

1 State rate of tax, and except provisions concerning collection
2 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
3 19 (except the portions pertaining to claims by retailers and
4 except the last paragraph concerning refunds), 20, 21 and 22 of
5 the Use Tax Act, and are not inconsistent with this paragraph,
6 as fully as if those provisions were set forth herein.

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

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

26 The Department shall immediately pay over to the State

1 Treasurer, ex officio, as trustee, all taxes collected
2 hereunder.

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

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

26 (i) The Board may not impose any other taxes except as it

1 may from time to time be authorized by law to impose.

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

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

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

1 as applicable under the Municipal Retailers Occupation Tax Act.
2 The State Department of Revenue may provide for certificates of
3 registration for users or purchasers of motor fuel for purposes
4 other than those with regard to which taxes may be imposed as
5 provided in paragraphs (b) and (c) of this Section to
6 facilitate the reporting and nontaxability of the exempt sales
7 or uses.

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

1 Authority imposing a tax under this Section and in effect on
2 August 1, 2007 shall remain in full force and effect and shall
3 be administered by the Department of Revenue under the terms
4 and conditions and rates of tax established by such ordinance
5 or resolution until the Department begins administering and
6 enforcing an increased tax under this Section as authorized by
7 this amendatory Act of the 95th General Assembly. The tax rates
8 authorized by this amendatory Act of the 95th General Assembly
9 are effective only if imposed by ordinance of the Authority.

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

1 subsection to the Authority and one-third of the amounts
2 certified in item (i) of this subsection to the respective
3 counties other than Cook County and the amount certified in
4 items (ii) and (iii) of this subsection to the Authority.

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

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

25 (p) At no time shall a public transportation tax or motor
26 vehicle parking tax authorized under paragraphs (b), (c) and

1 (d) of this Section be in effect at the same time as any
2 retailers' occupation, use or service occupation tax
3 authorized under paragraphs (e), (f) and (g) of this Section is
4 in effect.

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

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

20 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
21 eff. 7-13-12; 98-104, eff. 7-22-13.)

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

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

1 Sec. 4. Taxes.

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

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

14 -----

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

20 -----

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

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

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

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

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

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

26 For the purpose of determining whether a tax authorized

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

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

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

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

20 (c) If a tax has been imposed under subsection (b), a
21 County Water Commission Service Occupation Tax shall also be
22 imposed upon all persons engaged, in the territory of the
23 commission, in the business of making sales of service, who, as
24 an incident to making the sales of service, transfer tangible
25 personal property within the territory. The tax rate shall be
26 1/4% of the selling price of tangible personal property so

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

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

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

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

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

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

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

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

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

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

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

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

26 (f) Any ordinance imposing or discontinuing any tax under

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

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

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

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

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on or before the 25th day of each calendar month, the State
6 Department of Revenue shall prepare and certify to the
7 Comptroller of the State of Illinois the amount to be paid to
8 the commission, which shall be the amount (not including credit
9 memoranda) collected under this Section during the second
10 preceding calendar month by the Department plus an amount the
11 Department determines is necessary to offset any amounts that
12 were erroneously paid to a different taxing body, and not
13 including any amount equal to the amount of refunds made during
14 the second preceding calendar month by the Department on behalf
15 of the commission, and not including any amount that the
16 Department determines is necessary to offset any amounts that
17 were payable to a different taxing body but were erroneously
18 paid to the commission, and less any amounts that are
19 transferred to the STAR Bonds Revenue Fund. Within 10 days
20 after receipt by the Comptroller of the certification of the
21 amount to be paid to the commission, the Comptroller shall
22 cause an order to be drawn for the payment for the amount in
23 accordance with the direction in the certification.

24 (h) Beginning June 1, 2016, any tax imposed pursuant to
25 this Section may no longer be imposed or collected, unless a
26 continuation of the tax is approved by the voters at a

1 referendum as set forth in this Section.

2 (Source: P.A. 97-333, eff. 8-12-11; 98-298, eff. 8-9-13.)

3 Section 99. Effective date. This Act takes effect upon
4 becoming law.