



Rep. Rita Mayfield

Filed: 3/20/2015

09900HB2659ham001

LRB099 07716 HLH 32940 a

1 AMENDMENT TO HOUSE BILL 2659

2 AMENDMENT NO. _____. Amend House Bill 2659 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 and by adding Sections 5.866 and
6 6z-101 as follows:

7 (30 ILCS 105/5.866 new)

8 Sec. 5.866. The At-Risk Youth Assistance Fund.

9 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

10 Sec. 6z-18. A portion of the money paid into the Local
11 Government Tax Fund from sales of food for human consumption
12 which is to be consumed off the premises where it is sold
13 (other than alcoholic beverages, soft drinks and food which has
14 been prepared for immediate consumption) and prescription and
15 nonprescription medicines, drugs, medical appliances and

1 insulin, urine testing materials, syringes and needles used by
2 diabetics, which occurred in municipalities, shall be
3 distributed to each municipality based upon the sales which
4 occurred in that municipality. The remainder shall be
5 distributed to each county based upon the sales which occurred
6 in the unincorporated area of that county.

7 A portion of the money paid into the Local Government Tax
8 Fund from the ~~6.25% general~~ use tax imposed ~~rate~~ on the selling
9 price of tangible personal property which is purchased outside
10 Illinois at retail from a retailer and which is titled or
11 registered by any agency of this State's government shall be
12 distributed to municipalities as provided in this paragraph.
13 Each municipality shall receive the amount attributable to
14 sales for which Illinois addresses for titling or registration
15 purposes are given as being in such municipality. The remainder
16 of the money paid into the Local Government Tax Fund from such
17 sales shall be distributed to counties. Each county shall
18 receive the amount attributable to sales for which Illinois
19 addresses for titling or registration purposes are given as
20 being located in the unincorporated area of such county.

21 A portion of the money paid into the Local Government Tax
22 Fund from the taxes imposed ~~6.25% general rate (and, beginning~~
23 ~~July 1, 2000 and through December 31, 2000, the 1.25% rate on~~
24 ~~motor fuel and gasoline, and beginning on August 6, 2010 through~~
25 ~~August 15, 2010, the 1.25% rate on sales tax holiday items) on~~
26 ~~sales subject to taxation~~ under the Retailers' Occupation Tax

1 Act and the Service Occupation Tax Act, on sales which occurred
2 in municipalities, shall be distributed to each municipality,
3 based upon the sales which occurred in that municipality. The
4 remainder shall be distributed to each county, based upon the
5 sales which occurred in the unincorporated area of such county.

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

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

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

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

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

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

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

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

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

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

3 As soon as possible after the effective date of this
4 amendatory Act of the 98th General Assembly, the State
5 Comptroller shall order and the State Treasurer shall transfer
6 \$6,600,000 from the Local Government Tax Fund to the Illinois
7 State Medical Disciplinary Fund.

8 (Source: P.A. 97-333, eff. 8-12-11; 98-3, eff. 3-8-13.)

9 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

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

25 For the purpose of determining allocation to the local

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

9 Of the money received from the ~~6.25% general~~ use tax
10 imposed rate on tangible personal property which is purchased
11 outside Illinois at retail from a retailer and which is titled
12 or registered by any agency of this State's government and paid
13 into the County and Mass Transit District Fund, the amount for
14 which Illinois addresses for titling or registration purposes
15 are given as being in each county having more than 3,000,000
16 inhabitants shall be distributed into the Regional
17 Transportation Authority tax fund, created pursuant to Section
18 4.03 of the Regional Transportation Authority Act. The
19 remainder of the money paid from such sales shall be
20 distributed to each county based on sales for which Illinois
21 addresses for titling or registration purposes are given as
22 being located in the county. Any money paid into the Regional
23 Transportation Authority Occupation and Use Tax Replacement
24 Fund from the County and Mass Transit District Fund prior to
25 January 14, 1991, which has not been paid to the Authority
26 prior to that date, shall be transferred to the Regional

1 Transportation Authority tax fund.

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

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 during the second
16 preceding calendar month for sales within a STAR bond district
17 and deposited into the County and Mass Transit District Fund,
18 less 3% of that amount, which shall be transferred into the Tax
19 Compliance and Administration Fund and shall be used by the
20 Department, subject to appropriation, to cover the costs of the
21 Department in administering the Innovation Development and
22 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 to the Regional

1 Transportation Authority and to named counties, the counties to
2 be those entitled to distribution, as hereinabove provided, of
3 taxes or penalties paid to the Department during the second
4 preceding calendar month. The amount to be paid to the Regional
5 Transportation Authority and each county having 3,000,000 or
6 fewer inhabitants shall be the amount (not including credit
7 memoranda) collected during the second preceding calendar
8 month by the Department and paid into the County and Mass
9 Transit District Fund, plus an amount the Department determines
10 is necessary to offset any amounts which were erroneously paid
11 to a different taxing body, and not including an amount equal
12 to the amount of refunds made during the second preceding
13 calendar month by the Department, and not including any amount
14 which the Department determines is necessary to offset any
15 amounts which were payable to a different taxing body but were
16 erroneously paid to the Regional Transportation Authority or
17 county, and not including any amounts that are transferred to
18 the STAR Bonds Revenue Fund. Within 10 days after receipt, by
19 the Comptroller, of the disbursement certification to the
20 Regional Transportation Authority and counties, provided for
21 in this Section to be given to the Comptroller by the
22 Department, the Comptroller shall cause the orders to be drawn
23 for the respective amounts in accordance with the directions
24 contained in such certification.

25 When certifying the amount of a monthly disbursement to the
26 Regional Transportation Authority or to a county under this

1 Section, the Department shall increase or decrease that amount
2 by an amount necessary to offset any misallocation of previous
3 disbursements. The offset amount shall be the amount
4 erroneously disbursed within the 6 months preceding the time a
5 misallocation is discovered.

6 The provisions directing the distributions from the
7 special fund in the State Treasury provided for in this Section
8 and from the Regional Transportation Authority tax fund created
9 by Section 4.03 of the Regional Transportation Authority Act
10 shall constitute an irrevocable and continuing appropriation
11 of all amounts as provided herein. The State Treasurer and
12 State Comptroller are hereby authorized to make distributions
13 as provided in this Section.

14 In construing any development, redevelopment, annexation,
15 preannexation or other lawful agreement in effect prior to
16 September 1, 1990, which describes or refers to receipts from a
17 county or municipal retailers' occupation tax, use tax or
18 service occupation tax which now cannot be imposed, such
19 description or reference shall be deemed to include the
20 replacement revenue for such abolished taxes, distributed from
21 the County and Mass Transit District Fund or Local Government
22 Distributive Fund, as the case may be.

23 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;
24 97-333, eff. 8-12-11.)

1 Sec. 6z-101. At-Risk Youth Assistance Fund; creation.

2 (a) The At-Risk Youth Assistance Fund is hereby created as
3 a special fund in the State treasury. Moneys in the Fund may be
4 used for the following purposes, subject to appropriation: (1)
5 to provide community college scholarships and grants to at-risk
6 youth; (2) to make grants for the purpose of establishing and
7 continuing summer job programs in communities in which at-risk
8 youth reside; (3) for juvenile justice programs; and (4) to
9 make grants to trauma centers in high crime areas for medical
10 emergency responses.

11 (b) For the purposes of this Section:

12 "At-risk youth" means an individual between the ages of 16
13 and 22 who resides in a high crime area.

14 "High crime area" means a census tract in which the
15 homicide rate is more than 4 times higher than the average
16 homicide rate for a municipality that is the same size as the
17 municipality in which the census tract is located, according to
18 statistics generated by the Federal Bureau of Investigation as
19 part of the Uniform Crime Reporting (UCR) Program.

20 "Trauma center" has the same meaning as in the Emergency
21 Medical Services (EMS) Systems Act.

22 Section 10. The Use Tax Act is amended by changing Sections
23 3-10 and 9 as follows:

24 (35 ILCS 105/3-10)

1 Sec. 3-10. Rate of tax. Unless otherwise provided in this
2 Section, the tax imposed by this Act is at the rate of 6.25% of
3 either the selling price or the fair market value, if any, of
4 the tangible personal property. In all cases where property
5 functionally used or consumed is the same as the property that
6 was purchased at retail, then the tax is imposed on the selling
7 price of the property. In all cases where property functionally
8 used or consumed is a by-product or waste product that has been
9 refined, manufactured, or produced from property purchased at
10 retail, then the tax is imposed on the lower of the fair market
11 value, if any, of the specific property so used in this State
12 or on the selling price of the property purchased at retail.
13 For purposes of this Section "fair market value" means the
14 price at which property would change hands between a willing
15 buyer and a willing seller, neither being under any compulsion
16 to buy or sell and both having reasonable knowledge of the
17 relevant facts. The fair market value shall be established by
18 Illinois sales by the taxpayer of the same property as that
19 functionally used or consumed, or if there are no such sales by
20 the taxpayer, then comparable sales or purchases of property of
21 like kind and character in Illinois.

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

26 Beginning on August 6, 2010 through August 15, 2010, with

1 respect to sales tax holiday items as defined in Section 3-6 of
2 this Act, the tax is imposed at the rate of 1.25%.

3 Beginning January 1, 2016, with respect to firearms, as
4 defined in Section 1.1 of the Firearm Owners Identification
5 Card Act, and firearm component parts that are sold separately
6 from the firearm and are necessary for the firearm to function
7 in its intended manner, the tax is imposed at the rate of 10%.

8 With respect to gasohol, the tax imposed by this Act
9 applies to (i) 70% of the proceeds of sales made on or after
10 January 1, 1990, and before July 1, 2003, (ii) 80% of the
11 proceeds of sales made on or after July 1, 2003 and on or
12 before December 31, 2018, and (iii) 100% of the proceeds of
13 sales made thereafter. If, at any time, however, the tax under
14 this Act on sales of gasohol is imposed at the rate of 1.25%,
15 then the tax imposed by this Act applies to 100% of the
16 proceeds of sales of gasohol made during that time.

17 With respect to majority blended ethanol fuel, the tax
18 imposed by this Act does not apply to the proceeds of sales
19 made on or after July 1, 2003 and on or before December 31,
20 2018 but applies to 100% of the proceeds of sales made
21 thereafter.

22 With respect to biodiesel blends with no less than 1% and
23 no more than 10% biodiesel, the tax imposed by this Act applies
24 to (i) 80% of the proceeds of sales made on or after July 1,
25 2003 and on or before December 31, 2018 and (ii) 100% of the
26 proceeds of sales made thereafter. If, at any time, however,

1 the tax under this Act on sales of biodiesel blends with no
2 less than 1% and no more than 10% biodiesel is imposed at the
3 rate of 1.25%, then the tax imposed by this Act applies to 100%
4 of the proceeds of sales of biodiesel blends with no less than
5 1% and no more than 10% biodiesel made during that time.

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

11 With respect to food for human consumption that is to be
12 consumed off the premises where it is sold (other than
13 alcoholic beverages, soft drinks, and food that has been
14 prepared for immediate consumption) and prescription and
15 nonprescription medicines, drugs, medical appliances,
16 modifications to a motor vehicle for the purpose of rendering
17 it usable by a disabled person, and insulin, urine testing
18 materials, syringes, and needles used by diabetics, for human
19 use, the tax is imposed at the rate of 1%. For the purposes of
20 this Section, until September 1, 2009: the term "soft drinks"
21 means any complete, finished, ready-to-use, non-alcoholic
22 drink, whether carbonated or not, including but not limited to
23 soda water, cola, fruit juice, vegetable juice, carbonated
24 water, and all other preparations commonly known as soft drinks
25 of whatever kind or description that are contained in any
26 closed or sealed bottle, can, carton, or container, regardless

1 of size; but "soft drinks" does not include coffee, tea,
2 non-carbonated water, infant formula, milk or milk products as
3 defined in the Grade A Pasteurized Milk and Milk Products Act,
4 or drinks containing 50% or more natural fruit or vegetable
5 juice.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "soft drinks" means non-alcoholic
8 beverages that contain natural or artificial sweeteners. "Soft
9 drinks" do not include beverages that contain milk or milk
10 products, soy, rice or similar milk substitutes, or greater
11 than 50% of vegetable or fruit juice by volume.

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

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "food for human consumption that
26 is to be consumed off the premises where it is sold" does not

1 include candy. For purposes of this Section, "candy" means a
2 preparation of sugar, honey, or other natural or artificial
3 sweeteners in combination with chocolate, fruits, nuts or other
4 ingredients or flavorings in the form of bars, drops, or
5 pieces. "Candy" does not include any preparation that contains
6 flour or requires refrigeration.

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

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

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

24 Beginning on the effective date of this amendatory Act of
25 the 98th General Assembly, "prescription and nonprescription
26 medicines and drugs" includes medical cannabis purchased from a

1 registered dispensing organization under the Compassionate Use
2 of Medical Cannabis Pilot Program Act.

3 If the property that is purchased at retail from a retailer
4 is acquired outside Illinois and used outside Illinois before
5 being brought to Illinois for use here and is taxable under
6 this Act, the "selling price" on which the tax is computed
7 shall be reduced by an amount that represents a reasonable
8 allowance for depreciation for the period of prior out-of-state
9 use.

10 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

11 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

12 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
13 and trailers that are required to be registered with an agency
14 of this State, each retailer required or authorized to collect
15 the tax imposed by this Act shall pay to the Department the
16 amount of such tax (except as otherwise provided) at the time
17 when he is required to file his return for the period during
18 which such tax was collected, less a discount of 2.1% prior to
19 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
20 per calendar year, whichever is greater, which is allowed to
21 reimburse the retailer for expenses incurred in collecting the
22 tax, keeping records, preparing and filing returns, remitting
23 the tax and supplying data to the Department on request. In the
24 case of retailers who report and pay the tax on a transaction
25 by transaction basis, as provided in this Section, such

1 discount shall be taken with each such tax remittance instead
2 of when such retailer files his periodic return. The Department
3 may disallow the discount for retailers whose certificate of
4 registration is revoked at the time the return is filed, but
5 only if the Department's decision to revoke the certificate of
6 registration has become final. A retailer need not remit that
7 part of any tax collected by him to the extent that he is
8 required to remit and does remit the tax imposed by the
9 Retailers' Occupation Tax Act, with respect to the sale of the
10 same property.

11 Where such tangible personal property is sold under a
12 conditional sales contract, or under any other form of sale
13 wherein the payment of the principal sum, or a part thereof, is
14 extended beyond the close of the period for which the return is
15 filed, the retailer, in collecting the tax (except as to motor
16 vehicles, watercraft, aircraft, and trailers that are required
17 to be registered with an agency of this State), may collect for
18 each tax return period, only the tax applicable to that part of
19 the selling price actually received during such tax return
20 period.

21 Except as provided in this Section, on or before the
22 twentieth day of each calendar month, such retailer shall file
23 a return for the preceding calendar month. Such return shall be
24 filed on forms prescribed by the Department and shall furnish
25 such information as the Department may reasonably require.

26 The Department may require returns to be filed on a

1 quarterly basis. If so required, a return for each calendar
2 quarter shall be filed on or before the twentieth day of the
3 calendar month following the end of such calendar quarter. The
4 taxpayer shall also file a return with the Department for each
5 of the first two months of each calendar quarter, on or before
6 the twentieth day of the following calendar month, stating:

7 1. The name of the seller;

8 2. The address of the principal place of business from
9 which he engages in the business of selling tangible
10 personal property at retail in this State;

11 3. The total amount of taxable receipts received by him
12 during the preceding calendar month from sales of tangible
13 personal property by him during such preceding calendar
14 month, including receipts from charge and time sales, but
15 less all deductions allowed by law;

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

18 5. The amount of tax due;

19 5-5. The signature of the taxpayer; and

20 6. Such other reasonable information as the Department
21 may require.

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

26 Beginning October 1, 1993, a taxpayer who has an average

1 monthly tax liability of \$150,000 or more shall make all
2 payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 1994, a taxpayer who has
4 an average monthly tax liability of \$100,000 or more shall make
5 all payments required by rules of the Department by electronic
6 funds transfer. Beginning October 1, 1995, a taxpayer who has
7 an average monthly tax liability of \$50,000 or more shall make
8 all payments required by rules of the Department by electronic
9 funds transfer. Beginning October 1, 2000, a taxpayer who has
10 an annual tax liability of \$200,000 or more shall make all
11 payments required by rules of the Department by electronic
12 funds transfer. The term "annual tax liability" shall be the
13 sum of the taxpayer's liabilities under this Act, and under all
14 other State and local occupation and use tax laws administered
15 by the Department, for the immediately preceding calendar year.
16 The term "average monthly tax liability" means the sum of the
17 taxpayer's liabilities under this Act, and under all other
18 State and local occupation and use tax laws administered by the
19 Department, for the immediately preceding calendar year
20 divided by 12. Beginning on October 1, 2002, a taxpayer who has
21 a tax liability in the amount set forth in subsection (b) of
22 Section 2505-210 of the Department of Revenue Law shall make
23 all payments required by rules of the Department by electronic
24 funds transfer.

25 Before August 1 of each year beginning in 1993, the
26 Department shall notify all taxpayers required to make payments

1 by electronic funds transfer. All taxpayers required to make
2 payments by electronic funds transfer shall make those payments
3 for a minimum of one year beginning on October 1.

4 Any taxpayer not required to make payments by electronic
5 funds transfer may make payments by electronic funds transfer
6 with the permission of the Department.

7 All taxpayers required to make payment by electronic funds
8 transfer and any taxpayers authorized to voluntarily make
9 payments by electronic funds transfer shall make those payments
10 in the manner authorized by the Department.

11 The Department shall adopt such rules as are necessary to
12 effectuate a program of electronic funds transfer and the
13 requirements of this Section.

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

1 preceding 4 complete calendar quarters, he shall file a return
2 with the Department each month by the 20th day of the month
3 next following the month during which such tax liability is
4 incurred and shall make payment to the Department on or before
5 the 7th, 15th, 22nd and last day of the month during which such
6 liability is incurred. If the month during which such tax
7 liability is incurred began prior to January 1, 1985, each
8 payment shall be in an amount equal to 1/4 of the taxpayer's
9 actual liability for the month or an amount set by the
10 Department not to exceed 1/4 of the average monthly liability
11 of the taxpayer to the Department for the preceding 4 complete
12 calendar quarters (excluding the month of highest liability and
13 the month of lowest liability in such 4 quarter period). If the
14 month during which such tax liability is incurred begins on or
15 after January 1, 1985, and prior to January 1, 1987, each
16 payment shall be in an amount equal to 22.5% of the taxpayer's
17 actual liability for the month or 27.5% of the taxpayer's
18 liability for the same calendar month of the preceding year. If
19 the month during which such tax liability is incurred begins on
20 or after January 1, 1987, and prior to January 1, 1988, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 26.25% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1988, and prior to January 1, 1989, or
26 begins on or after January 1, 1996, each payment shall be in an

1 amount equal to 22.5% of the taxpayer's actual liability for
2 the month or 25% of the taxpayer's liability for the same
3 calendar month of the preceding year. If the month during which
4 such tax liability is incurred begins on or after January 1,
5 1989, and prior to January 1, 1996, each payment shall be in an
6 amount equal to 22.5% of the taxpayer's actual liability for
7 the month or 25% of the taxpayer's liability for the same
8 calendar month of the preceding year or 100% of the taxpayer's
9 actual liability for the quarter monthly reporting period. The
10 amount of such quarter monthly payments shall be credited
11 against the final tax liability of the taxpayer's return for
12 that month. Before October 1, 2000, once applicable, the
13 requirement of the making of quarter monthly payments to the
14 Department shall continue until such taxpayer's average
15 monthly liability to the Department during the preceding 4
16 complete calendar quarters (excluding the month of highest
17 liability and the month of lowest liability) is less than
18 \$9,000, or until such taxpayer's average monthly liability to
19 the Department as computed for each calendar quarter of the 4
20 preceding complete calendar quarter period is less than
21 \$10,000. However, if a taxpayer can show the Department that a
22 substantial change in the taxpayer's business has occurred
23 which causes the taxpayer to anticipate that his average
24 monthly tax liability for the reasonably foreseeable future
25 will fall below the \$10,000 threshold stated above, then such
26 taxpayer may petition the Department for change in such

1 taxpayer's reporting status. On and after October 1, 2000, once
2 applicable, the requirement of the making of quarter monthly
3 payments to the Department shall continue until such taxpayer's
4 average monthly liability to the Department during the
5 preceding 4 complete calendar quarters (excluding the month of
6 highest liability and the month of lowest liability) is less
7 than \$19,000 or until such taxpayer's average monthly liability
8 to the Department as computed for each calendar quarter of the
9 4 preceding complete calendar quarter period is less than
10 \$20,000. However, if a taxpayer can show the Department that a
11 substantial change in the taxpayer's business has occurred
12 which causes the taxpayer to anticipate that his average
13 monthly tax liability for the reasonably foreseeable future
14 will fall below the \$20,000 threshold stated above, then such
15 taxpayer may petition the Department for a change in such
16 taxpayer's reporting status. The Department shall change such
17 taxpayer's reporting status unless it finds that such change is
18 seasonal in nature and not likely to be long term. If any such
19 quarter monthly payment is not paid at the time or in the
20 amount required by this Section, then the taxpayer shall be
21 liable for penalties and interest on the difference between the
22 minimum amount due and the amount of such quarter monthly
23 payment actually and timely paid, except insofar as the
24 taxpayer has previously made payments for that month to the
25 Department in excess of the minimum payments previously due as
26 provided in this Section. The Department shall make reasonable

1 rules and regulations to govern the quarter monthly payment
2 amount and quarter monthly payment dates for taxpayers who file
3 on other than a calendar monthly basis.

4 If any such payment provided for in this Section exceeds
5 the taxpayer's liabilities under this Act, the Retailers'
6 Occupation Tax Act, the Service Occupation Tax Act and the
7 Service Use Tax Act, as shown by an original monthly return,
8 the Department shall issue to the taxpayer a credit memorandum
9 no later than 30 days after the date of payment, which
10 memorandum may be submitted by the taxpayer to the Department
11 in payment of tax liability subsequently to be remitted by the
12 taxpayer to the Department or be assigned by the taxpayer to a
13 similar taxpayer under this Act, the Retailers' Occupation Tax
14 Act, the Service Occupation Tax Act or the Service Use Tax Act,
15 in accordance with reasonable rules and regulations to be
16 prescribed by the Department, except that if such excess
17 payment is shown on an original monthly return and is made
18 after December 31, 1986, no credit memorandum shall be issued,
19 unless requested by the taxpayer. If no such request is made,
20 the taxpayer may credit such excess payment against tax
21 liability subsequently to be remitted by the taxpayer to the
22 Department under this Act, the Retailers' Occupation Tax Act,
23 the Service Occupation Tax Act or the Service Use Tax Act, in
24 accordance with reasonable rules and regulations prescribed by
25 the Department. If the Department subsequently determines that
26 all or any part of the credit taken was not actually due to the

1 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
2 be reduced by 2.1% or 1.75% of the difference between the
3 credit taken and that actually due, and the taxpayer shall be
4 liable for penalties and interest on such difference.

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

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

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

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

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

6 In addition, with respect to motor vehicles, watercraft,
7 aircraft, and trailers that are required to be registered with
8 an agency of this State, every retailer selling this kind of
9 tangible personal property shall file, with the Department,
10 upon a form to be prescribed and supplied by the Department, a
11 separate return for each such item of tangible personal
12 property which the retailer sells, except that if, in the same
13 transaction, (i) a retailer of aircraft, watercraft, motor
14 vehicles or trailers transfers more than one aircraft,
15 watercraft, motor vehicle or trailer to another aircraft,
16 watercraft, motor vehicle or trailer retailer for the purpose
17 of resale or (ii) a retailer of aircraft, watercraft, motor
18 vehicles, or trailers transfers more than one aircraft,
19 watercraft, motor vehicle, or trailer to a purchaser for use as
20 a qualifying rolling stock as provided in Section 3-55 of this
21 Act, then that seller may report the transfer of all the
22 aircraft, watercraft, motor vehicles or trailers involved in
23 that transaction to the Department on the same uniform
24 invoice-transaction reporting return form. For purposes of
25 this Section, "watercraft" means a Class 2, Class 3, or Class 4
26 watercraft as defined in Section 3-2 of the Boat Registration

1 and Safety Act, a personal watercraft, or any boat equipped
2 with an inboard motor.

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

24 The transaction reporting return in the case of watercraft
25 and aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling

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

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

26 With each such transaction reporting return, the retailer

1 shall remit the proper amount of tax due (or shall submit
2 satisfactory evidence that the sale is not taxable if that is
3 the case), to the Department or its agents, whereupon the
4 Department shall issue, in the purchaser's name, a tax receipt
5 (or a certificate of exemption if the Department is satisfied
6 that the particular sale is tax exempt) which such purchaser
7 may submit to the agency with which, or State officer with
8 whom, he must title or register the tangible personal property
9 that is involved (if titling or registration is required) in
10 support of such purchaser's application for an Illinois
11 certificate or other evidence of title or registration to such
12 tangible personal property.

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

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

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

13 Where a retailer collects the tax with respect to the
14 selling price of tangible personal property which he sells and
15 the purchaser thereafter returns such tangible personal
16 property and the retailer refunds the selling price thereof to
17 the purchaser, such retailer shall also refund, to the
18 purchaser, the tax so collected from the purchaser. When filing
19 his return for the period in which he refunds such tax to the
20 purchaser, the retailer may deduct the amount of the tax so
21 refunded by him to the purchaser from any other use tax which
22 such retailer may be required to pay or remit to the
23 Department, as shown by such return, if the amount of the tax
24 to be deducted was previously remitted to the Department by
25 such retailer. If the retailer has not previously remitted the
26 amount of such tax to the Department, he is entitled to no

1 deduction under this Act upon refunding such tax to the
2 purchaser.

3 Any retailer filing a return under this Section shall also
4 include (for the purpose of paying tax thereon) the total tax
5 covered by such return upon the selling price of tangible
6 personal property purchased by him at retail from a retailer,
7 but as to which the tax imposed by this Act was not collected
8 from the retailer filing such return, and such retailer shall
9 remit the amount of such tax to the Department when filing such
10 return.

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

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

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund, a special
24 fund in the State Treasury which is hereby created, the net
25 revenue realized for the preceding month from the 1% tax on
26 sales of food for human consumption which is to be consumed off

1 the premises where it is sold (other than alcoholic beverages,
2 soft drinks and food which has been prepared for immediate
3 consumption) and prescription and nonprescription medicines,
4 drugs, medical appliances and insulin, urine testing
5 materials, syringes and needles used by diabetics.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the County and Mass Transit District Fund 4% of the
8 net revenue realized for the preceding month from the 6.25%
9 general rate on the selling price of tangible personal property
10 which is purchased outside Illinois at retail from a retailer
11 and which is titled or registered by an agency of this State's
12 government.

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

21 Beginning February 1, 2016, each month the Department shall
22 pay into the State and Local Sales Tax Reform Fund 12.5% of the
23 net revenue realized for the preceding month from the 10% rate
24 on the selling price of firearms and firearm component parts.

25 Beginning February 1, 2016, each month the Department shall
26 pay into the At-Risk Youth Assistance Fund 37.5% of the net

1 revenue realized for the preceding month from the 10% rate on
2 the selling price of firearms and firearm component parts.

3 Beginning August 1, 2000, each month the Department shall
4 pay into the State and Local Sales Tax Reform Fund 100% of the
5 net revenue realized for the preceding month from the 1.25%
6 rate on the selling price of motor fuel and gasohol. Beginning
7 September 1, 2010, each month the Department shall pay into the
8 State and Local Sales Tax Reform Fund 100% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of sales tax holiday items.

11 Beginning January 1, 1990, each month the Department shall
12 pay into the Local Government Tax Fund 16% of the net revenue
13 realized for the preceding month from the 6.25% general rate on
14 the selling price of tangible personal property which is
15 purchased outside Illinois at retail from a retailer and which
16 is titled or registered by an agency of this State's
17 government.

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

25 Beginning July 1, 2011, each month the Department shall pay
26 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue

1 realized for the preceding month from the 6.25% general rate on
2 the selling price of sorbents used in Illinois in the process
3 of sorbent injection as used to comply with the Environmental
4 Protection Act or the federal Clean Air Act, but the total
5 payment into the Clean Air Act (CAA) Permit Fund under this Act
6 and the Retailers' Occupation Tax Act shall not exceed
7 \$2,000,000 in any fiscal year.

8 Beginning July 1, 2013, each month the Department shall pay
9 into the Underground Storage Tank Fund from the proceeds
10 collected under this Act, the Service Use Tax Act, the Service
11 Occupation Tax Act, and the Retailers' Occupation Tax Act an
12 amount equal to the average monthly deficit in the Underground
13 Storage Tank Fund during the prior year, as certified annually
14 by the Illinois Environmental Protection Agency, but the total
15 payment into the Underground Storage Tank Fund under this Act,
16 the Service Use Tax Act, the Service Occupation Tax Act, and
17 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
18 in any State fiscal year. As used in this paragraph, the
19 "average monthly deficit" shall be equal to the difference
20 between the average monthly claims for payment by the fund and
21 the average monthly revenues deposited into the fund, excluding
22 payments made pursuant to this paragraph.

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

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

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

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

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

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

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

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

11 and

12 each fiscal year

13 thereafter that bonds

14 are outstanding under

15 Section 13.2 of the

16 Metropolitan Pier and

17 Exposition Authority Act,

18 but not after fiscal year 2060.

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

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

6 Subject to payment of amounts into the Build Illinois Fund
7 and the McCormick Place Expansion Project Fund pursuant to the
8 preceding paragraphs or in any amendments thereto hereafter
9 enacted, beginning July 1, 1993 and ending on September 30,
10 2013, the Department shall each month pay into the Illinois Tax
11 Increment Fund 0.27% of 80% of the net revenue realized for the
12 preceding month from the 6.25% general rate on the selling
13 price of tangible personal property.

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

1 Subject to payment of amounts into the Build Illinois Fund,
2 the McCormick Place Expansion Project Fund, the Illinois Tax
3 Increment Fund, and the Energy Infrastructure Fund pursuant to
4 the preceding paragraphs or in any amendments to this Section
5 hereafter enacted, beginning on the first day of the first
6 calendar month to occur on or after the effective date of this
7 amendatory Act of the 98th General Assembly, each month, from
8 the collections made under Section 9 of the Use Tax Act,
9 Section 9 of the Service Use Tax Act, Section 9 of the Service
10 Occupation Tax Act, and Section 3 of the Retailers' Occupation
11 Tax Act, the Department shall pay into the Tax Compliance and
12 Administration Fund, to be used, subject to appropriation, to
13 fund additional auditors and compliance personnel at the
14 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
15 the cash receipts collected during the preceding fiscal year by
16 the Audit Bureau of the Department under the Use Tax Act, the
17 Service Use Tax Act, the Service Occupation Tax Act, the
18 Retailers' Occupation Tax Act, and associated local occupation
19 and use taxes administered by the Department.

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

26 As soon as possible after the first day of each month, upon

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

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

11 For greater simplicity of administration, manufacturers,
12 importers and wholesalers whose products are sold at retail in
13 Illinois by numerous retailers, and who wish to do so, may
14 assume the responsibility for accounting and paying to the
15 Department all tax accruing under this Act with respect to such
16 sales, if the retailers who are affected do not make written
17 objection to the Department to this arrangement.

18 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,
19 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;
20 98-756, eff. 7-16-14; 98-1098, eff. 8-26-14.)

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

23 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

24 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the selling price of tangible personal property transferred as
3 an incident to the sale of service, but, for the purpose of
4 computing this tax, in no event shall the selling price be less
5 than the cost price of the property to the serviceman.

6 Beginning January 1, 2016, with respect to firearms, as
7 defined in Section 1.1 of the Firearm Owners Identification
8 Card Act, and firearm component parts that are sold separately
9 from the firearm and are necessary for the firearm to function
10 in its intended manner, the tax is imposed at the rate of 10%.

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

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

26 With respect to majority blended ethanol fuel, as defined

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

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

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

25 At the election of any registered serviceman made for each
26 fiscal year, sales of service in which the aggregate annual

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

9 The tax shall be imposed at the rate of 1% on food prepared
10 for immediate consumption and transferred incident to a sale of
11 service subject to this Act or the Service Occupation Tax Act
12 by an entity licensed under the Hospital Licensing Act, the
13 Nursing Home Care Act, the ID/DD Community Care Act, the
14 Specialized Mental Health Rehabilitation Act of 2013, or the
15 Child Care Act of 1969. The tax shall also be imposed at the
16 rate of 1% on food for human consumption that is to be consumed
17 off the premises where it is sold (other than alcoholic
18 beverages, soft drinks, and food that has been prepared for
19 immediate consumption and is not otherwise included in this
20 paragraph) and prescription and nonprescription medicines,
21 drugs, medical appliances, modifications to a motor vehicle for
22 the purpose of rendering it usable by a disabled person, and
23 insulin, urine testing materials, syringes, and needles used by
24 diabetics, for human use. For the purposes of this Section,
25 until September 1, 2009: the term "soft drinks" means any
26 complete, finished, ready-to-use, non-alcoholic drink, whether

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

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

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

1 regardless of the location of the vending machine.

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

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

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

25 (B) A statement of the "active ingredient(s)" with a
26 list of those ingredients contained in the compound,

1 substance or preparation.

2 Beginning on January 1, 2014 (the effective date of Public
3 Act 98-122), "prescription and nonprescription medicines and
4 drugs" includes medical cannabis purchased from a registered
5 dispensing organization under the Compassionate Use of Medical
6 Cannabis Pilot Program Act.

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

14 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,
15 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; 98-756,
16 eff. 7-16-14.)

17 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

18 Sec. 9. Each serviceman required or authorized to collect
19 the tax herein imposed shall pay to the Department the amount
20 of such tax (except as otherwise provided) at the time when he
21 is required to file his return for the period during which such
22 tax was collected, less a discount of 2.1% prior to January 1,
23 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
24 year, whichever is greater, which is allowed to reimburse the
25 serviceman for expenses incurred in collecting the tax, keeping

1 records, preparing and filing returns, remitting the tax and
2 supplying data to the Department on request. The Department may
3 disallow the discount for servicemen whose certificate of
4 registration is revoked at the time the return is filed, but
5 only if the Department's decision to revoke the certificate of
6 registration has become final. A serviceman need not remit that
7 part of any tax collected by him to the extent that he is
8 required to pay and does pay the tax imposed by the Service
9 Occupation Tax Act with respect to his sale of service
10 involving the incidental transfer by him of the same property.

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

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

- 25 1. The name of the seller;
- 26 2. The address of the principal place of business from

1 which he engages in business as a serviceman in this State;

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

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

8 5. The amount of tax due;

9 5-5. The signature of the taxpayer; and

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

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

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

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

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

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

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

1 The Department shall adopt such rules as are necessary to
2 effectuate a program of electronic funds transfer and the
3 requirements of this Section.

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

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

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

24 Notwithstanding any other provision in this Act concerning
25 the time within which a serviceman may file his return, in the
26 case of any serviceman who ceases to engage in a kind of

1 business which makes him responsible for filing returns under
2 this Act, such serviceman shall file a final return under this
3 Act with the Department not more than 1 month after
4 discontinuing such business.

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

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

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

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

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

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

1 Illinois at retail from a retailer and which is titled or
2 registered by an agency of this State's government.

3 Beginning February 1, 2016, each month the Department shall
4 pay into the State and Local Sales Tax Reform Fund 12.5% of the
5 net revenue realized for the preceding month from the 10% rate
6 on the selling price of firearms and firearm component parts.

7 Beginning February 1, 2016, each month the Department shall
8 pay into the At-Risk Youth Assistance Fund 37.5% of the net
9 revenue realized for the preceding month from the 10% rate on
10 the selling price of firearms and firearm component parts.

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

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

22 Beginning July 1, 2013, each month the Department shall pay
23 into the Underground Storage Tank Fund from the proceeds
24 collected under this Act, the Use Tax Act, the Service
25 Occupation Tax Act, and the Retailers' Occupation Tax Act an
26 amount equal to the average monthly deficit in the Underground

1 Storage Tank Fund during the prior year, as certified annually
2 by the Illinois Environmental Protection Agency, but the total
3 payment into the Underground Storage Tank Fund under this Act,
4 the Use Tax Act, the Service Occupation Tax Act, and the
5 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
6 any State fiscal year. As used in this paragraph, the "average
7 monthly deficit" shall be equal to the difference between the
8 average monthly claims for payment by the fund and the average
9 monthly revenues deposited into the fund, excluding payments
10 made pursuant to this paragraph.

11 Of the remainder of the moneys received by the Department
12 pursuant to this Act, (a) 1.75% thereof shall be paid into the
13 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
14 and after July 1, 1989, 3.8% thereof shall be paid into the
15 Build Illinois Fund; provided, however, that if in any fiscal
16 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
17 may be, of the moneys received by the Department and required
18 to be paid into the Build Illinois Fund pursuant to Section 3
19 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
20 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
21 Service Occupation Tax Act, such Acts being hereinafter called
22 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
23 may be, of moneys being hereinafter called the "Tax Act
24 Amount", and (2) the amount transferred to the Build Illinois
25 Fund from the State and Local Sales Tax Reform Fund shall be
26 less than the Annual Specified Amount (as defined in Section 3

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

1 secured by such indenture and on any Bonds expected to be
2 issued thereafter and all fees and costs payable with respect
3 thereto, all as certified by the Director of the Bureau of the
4 Budget (now Governor's Office of Management and Budget). If on
5 the last business day of any month in which Bonds are
6 outstanding pursuant to the Build Illinois Bond Act, the
7 aggregate of the moneys deposited in the Build Illinois Bond
8 Account in the Build Illinois Fund in such month shall be less
9 than the amount required to be transferred in such month from
10 the Build Illinois Bond Account to the Build Illinois Bond
11 Retirement and Interest Fund pursuant to Section 13 of the
12 Build Illinois Bond Act, an amount equal to such deficiency
13 shall be immediately paid from other moneys received by the
14 Department pursuant to the Tax Acts to the Build Illinois Fund;
15 provided, however, that any amounts paid to the Build Illinois
16 Fund in any fiscal year pursuant to this sentence shall be
17 deemed to constitute payments pursuant to clause (b) of the
18 preceding sentence and shall reduce the amount otherwise
19 payable for such fiscal year pursuant to clause (b) of the
20 preceding sentence. The moneys received by the Department
21 pursuant to this Act and required to be deposited into the
22 Build Illinois Fund are subject to the pledge, claim and charge
23 set forth in Section 12 of the Build Illinois Bond Act.

24 Subject to payment of amounts into the Build Illinois Fund
25 as provided in the preceding paragraph or in any amendment
26 thereto hereafter enacted, the following specified monthly

1 installment of the amount requested in the certificate of the
2 Chairman of the Metropolitan Pier and Exposition Authority
3 provided under Section 8.25f of the State Finance Act, but not
4 in excess of the sums designated as "Total Deposit", shall be
5 deposited in the aggregate from collections under Section 9 of
6 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
7 9 of the Service Occupation Tax Act, and Section 3 of the
8 Retailers' Occupation Tax Act into the McCormick Place
9 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
10		
11	1993	\$0
12	1994	53,000,000
13	1995	58,000,000
14	1996	61,000,000
15	1997	64,000,000
16	1998	68,000,000
17	1999	71,000,000
18	2000	75,000,000
19	2001	80,000,000
20	2002	93,000,000
21	2003	99,000,000
22	2004	103,000,000
23	2005	108,000,000
24	2006	113,000,000
25	2007	119,000,000

1	2008	126,000,000
2	2009	132,000,000
3	2010	139,000,000
4	2011	146,000,000
5	2012	153,000,000
6	2013	161,000,000
7	2014	170,000,000
8	2015	179,000,000
9	2016	189,000,000
10	2017	199,000,000
11	2018	210,000,000
12	2019	221,000,000
13	2020	233,000,000
14	2021	246,000,000
15	2022	260,000,000
16	2023	275,000,000
17	2024	275,000,000
18	2025	275,000,000
19	2026	279,000,000
20	2027	292,000,000
21	2028	307,000,000
22	2029	322,000,000
23	2030	338,000,000
24	2031	350,000,000
25	2032	350,000,000
26	and	

1 each fiscal year
2 thereafter that bonds
3 are outstanding under
4 Section 13.2 of the
5 Metropolitan Pier and
6 Exposition Authority Act,
7 but not after fiscal year 2060.

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

21 Subject to payment of amounts into the Build Illinois Fund
22 and the McCormick Place Expansion Project Fund pursuant to the
23 preceding paragraphs or in any amendments thereto hereafter
24 enacted, beginning July 1, 1993 and ending on September 30,
25 2013, the Department shall each month pay into the Illinois Tax
26 Increment Fund 0.27% of 80% of the net revenue realized for the

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

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

16 Subject to payment of amounts into the Build Illinois Fund,
17 the McCormick Place Expansion Project Fund, the Illinois Tax
18 Increment Fund, and the Energy Infrastructure Fund pursuant to
19 the preceding paragraphs or in any amendments to this Section
20 hereafter enacted, beginning on the first day of the first
21 calendar month to occur on or after the effective date of this
22 amendatory Act of the 98th General Assembly, each month, from
23 the collections made under Section 9 of the Use Tax Act,
24 Section 9 of the Service Use Tax Act, Section 9 of the Service
25 Occupation Tax Act, and Section 3 of the Retailers' Occupation
26 Tax Act, the Department shall pay into the Tax Compliance and

1 Administration Fund, to be used, subject to appropriation, to
2 fund additional auditors and compliance personnel at the
3 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
4 the cash receipts collected during the preceding fiscal year by
5 the Audit Bureau of the Department under the Use Tax Act, the
6 Service Use Tax Act, the Service Occupation Tax Act, the
7 Retailers' Occupation Tax Act, and associated local occupation
8 and use taxes administered by the Department.

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

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

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

1 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
2 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
3 98-1098, eff. 8-26-14.)

4 Section 20. The Service Occupation Tax Act is amended by
5 changing Sections 3-10 and 9 as follows:

6 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 the "selling price", as defined in Section 2 of the Service Use
10 Tax Act, of the tangible personal property. For the purpose of
11 computing this tax, in no event shall the "selling price" be
12 less than the cost price to the serviceman of the tangible
13 personal property transferred. The selling price of each item
14 of tangible personal property transferred as an incident of a
15 sale of service may be shown as a distinct and separate item on
16 the serviceman's billing to the service customer. If the
17 selling price is not so shown, the selling price of the
18 tangible personal property is deemed to be 50% of the
19 serviceman's entire billing to the service customer. When,
20 however, a serviceman contracts to design, develop, and produce
21 special order machinery or equipment, the tax imposed by this
22 Act shall be based on the serviceman's cost price of the
23 tangible personal property transferred incident to the
24 completion of the contract.

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

5 Beginning January 1, 2016, with respect to firearms, as
6 defined in Section 1.1 of the Firearm Owners Identification
7 Card Act, and firearm component parts that are sold separately
8 from the firearm and are necessary for the firearm to function
9 in its intended manner, the tax is imposed at the rate of 10%.

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

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

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

13 With respect to 100% biodiesel, as defined in the Use Tax
14 Act, and biodiesel blends, as defined in the Use Tax Act, with
15 more than 10% but no more than 99% biodiesel material, the tax
16 imposed by this Act does not apply to the proceeds of the
17 selling price of property transferred as an incident to the
18 sale of service on or after July 1, 2003 and on or before
19 December 31, 2018 but applies to 100% of the selling price
20 thereafter.

21 At the election of any registered serviceman made for each
22 fiscal year, sales of service in which the aggregate annual
23 cost price of tangible personal property transferred as an
24 incident to the sales of service is less than 35%, or 75% in
25 the case of servicemen transferring prescription drugs or
26 servicemen engaged in graphic arts production, of the aggregate

1 annual total gross receipts from all sales of service, the tax
2 imposed by this Act shall be based on the serviceman's cost
3 price of the tangible personal property transferred incident to
4 the sale of those services.

5 The tax shall be imposed at the rate of 1% on food prepared
6 for immediate consumption and transferred incident to a sale of
7 service subject to this Act or the Service Occupation Tax Act
8 by an entity licensed under the Hospital Licensing Act, the
9 Nursing Home Care Act, the ID/DD Community Care Act, the
10 Specialized Mental Health Rehabilitation Act of 2013, or the
11 Child Care Act of 1969. The tax shall also be imposed at the
12 rate of 1% on food for human consumption that is to be consumed
13 off the premises where it is sold (other than alcoholic
14 beverages, soft drinks, and food that has been prepared for
15 immediate consumption and is not otherwise included in this
16 paragraph) and prescription and nonprescription medicines,
17 drugs, medical appliances, modifications to a motor vehicle for
18 the purpose of rendering it usable by a disabled person, and
19 insulin, urine testing materials, syringes, and needles used by
20 diabetics, for human use. For the purposes of this Section,
21 until September 1, 2009: the term "soft drinks" means any
22 complete, finished, ready-to-use, non-alcoholic drink, whether
23 carbonated or not, including but not limited to soda water,
24 cola, fruit juice, vegetable juice, carbonated water, and all
25 other preparations commonly known as soft drinks of whatever
26 kind or description that are contained in any closed or sealed

1 can, carton, or container, regardless of size; but "soft
2 drinks" does not include coffee, tea, non-carbonated water,
3 infant formula, milk or milk products as defined in the Grade A
4 Pasteurized Milk and Milk Products Act, or drinks containing
5 50% or more natural fruit or vegetable juice.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "soft drinks" means non-alcoholic
8 beverages that contain natural or artificial sweeteners. "Soft
9 drinks" do not include beverages that contain milk or milk
10 products, soy, rice or similar milk substitutes, or greater
11 than 50% of vegetable or fruit juice by volume.

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

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "food for human consumption that
26 is to be consumed off the premises where it is sold" does not

1 include candy. For purposes of this Section, "candy" means a
2 preparation of sugar, honey, or other natural or artificial
3 sweeteners in combination with chocolate, fruits, nuts or other
4 ingredients or flavorings in the form of bars, drops, or
5 pieces. "Candy" does not include any preparation that contains
6 flour or requires refrigeration.

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

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

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

24 Beginning on January 1, 2014 (the effective date of Public
25 Act 98-122), "prescription and nonprescription medicines and
26 drugs" includes medical cannabis purchased from a registered

1 dispensing organization under the Compassionate Use of Medical
2 Cannabis Pilot Program Act.

3 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-636,
4 eff. 6-1-12; 98-104, eff. 7-22-13; 98-122, eff. 1-1-14; 98-756,
5 eff. 7-16-14.)

6 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

7 Sec. 9. Each serviceman required or authorized to collect
8 the tax herein imposed shall pay to the Department the amount
9 of such tax at the time when he is required to file his return
10 for the period during which such tax was collectible, less a
11 discount of 2.1% prior to January 1, 1990, and 1.75% on and
12 after January 1, 1990, or \$5 per calendar year, whichever is
13 greater, which is allowed to reimburse the serviceman for
14 expenses incurred in collecting the tax, keeping records,
15 preparing and filing returns, remitting the tax and supplying
16 data to the Department on request. The Department may disallow
17 the discount for servicemen whose certificate of registration
18 is revoked at the time the return is filed, but only if the
19 Department's decision to revoke the certificate of
20 registration has become final.

21 Where such tangible personal property is sold under a
22 conditional sales contract, or under any other form of sale
23 wherein the payment of the principal sum, or a part thereof, is
24 extended beyond the close of the period for which the return is
25 filed, the serviceman, in collecting the tax may collect, for

1 each tax return period, only the tax applicable to the part of
2 the selling price actually received during such tax return
3 period.

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

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

- 18 1. The name of the seller;
- 19 2. The address of the principal place of business from
20 which he engages in business as a serviceman in this State;
- 21 3. The total amount of taxable receipts received by him
22 during the preceding calendar month, including receipts
23 from charge and time sales, but less all deductions allowed
24 by law;
- 25 4. The amount of credit provided in Section 2d of this
26 Act;

- 1 5. The amount of tax due;
- 2 5-5. The signature of the taxpayer; and
- 3 6. Such other reasonable information as the Department
- 4 may require.

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

9 Prior to October 1, 2003, and on and after September 1,
10 2004 a serviceman may accept a Manufacturer's Purchase Credit
11 certification from a purchaser in satisfaction of Service Use
12 Tax as provided in Section 3-70 of the Service Use Tax Act if
13 the purchaser provides the appropriate documentation as
14 required by Section 3-70 of the Service Use Tax Act. A
15 Manufacturer's Purchase Credit certification, accepted prior
16 to October 1, 2003 or on or after September 1, 2004 by a
17 serviceman as provided in Section 3-70 of the Service Use Tax
18 Act, may be used by that serviceman to satisfy Service
19 Occupation Tax liability in the amount claimed in the
20 certification, not to exceed 6.25% of the receipts subject to
21 tax from a qualifying purchase. A Manufacturer's Purchase
22 Credit reported on any original or amended return filed under
23 this Act after October 20, 2003 for reporting periods prior to
24 September 1, 2004 shall be disallowed. Manufacturer's Purchase
25 Credit reported on annual returns due on or after January 1,
26 2005 will be disallowed for periods prior to September 1, 2004.

1 No Manufacturer's Purchase Credit may be used after September
2 30, 2003 through August 31, 2004 to satisfy any tax liability
3 imposed under this Act, including any audit liability.

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

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

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

21 Notwithstanding any other provision in this Act concerning
22 the time within which a serviceman may file his return, in the
23 case of any serviceman who ceases to engage in a kind of
24 business which makes him responsible for filing returns under
25 this Act, such serviceman shall file a final return under this
26 Act with the Department not more than 1 month after

1 discontinuing such business.

2 Beginning October 1, 1993, a taxpayer who has an average
3 monthly tax liability of \$150,000 or more shall make all
4 payments required by rules of the Department by electronic
5 funds transfer. Beginning October 1, 1994, a taxpayer who has
6 an average monthly tax liability of \$100,000 or more shall make
7 all payments required by rules of the Department by electronic
8 funds transfer. Beginning October 1, 1995, a taxpayer who has
9 an average monthly tax liability of \$50,000 or more shall make
10 all payments required by rules of the Department by electronic
11 funds transfer. Beginning October 1, 2000, a taxpayer who has
12 an annual tax liability of \$200,000 or more shall make all
13 payments required by rules of the Department by electronic
14 funds transfer. The term "annual tax liability" shall be the
15 sum of the taxpayer's liabilities under this Act, and under all
16 other State and local occupation and use tax laws administered
17 by the Department, for the immediately preceding calendar year.
18 The term "average monthly tax liability" means the sum of the
19 taxpayer's liabilities under this Act, and under all other
20 State and local occupation and use tax laws administered by the
21 Department, for the immediately preceding calendar year
22 divided by 12. Beginning on October 1, 2002, a taxpayer who has
23 a tax liability in the amount set forth in subsection (b) of
24 Section 2505-210 of the Department of Revenue Law shall make
25 all payments required by rules of the Department by electronic
26 funds transfer.

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

6 Any taxpayer not required to make payments by electronic
7 funds transfer may make payments by electronic funds transfer
8 with the permission of the Department.

9 All taxpayers required to make payment by electronic funds
10 transfer and any taxpayers authorized to voluntarily make
11 payments by electronic funds transfer shall make those payments
12 in the manner authorized by the Department.

13 The Department shall adopt such rules as are necessary to
14 effectuate a program of electronic funds transfer and the
15 requirements of this Section.

16 Where a serviceman collects the tax with respect to the
17 selling price of tangible personal property which he sells and
18 the purchaser thereafter returns such tangible personal
19 property and the serviceman refunds the selling price thereof
20 to the purchaser, such serviceman shall also refund, to the
21 purchaser, the tax so collected from the purchaser. When filing
22 his return for the period in which he refunds such tax to the
23 purchaser, the serviceman may deduct the amount of the tax so
24 refunded by him to the purchaser from any other Service
25 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
26 Use Tax which such serviceman may be required to pay or remit

1 to the Department, as shown by such return, provided that the
2 amount of the tax to be deducted shall previously have been
3 remitted to the Department by such serviceman. If the
4 serviceman shall not previously have remitted the amount of
5 such tax to the Department, he shall be entitled to no
6 deduction hereunder upon refunding such tax to the purchaser.

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

14 Where the serviceman has more than one business registered
15 with the Department under separate registrations hereunder,
16 such serviceman shall file separate returns for each registered
17 business.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the Local Government Tax Fund the revenue realized for
20 the preceding month from the 1% tax on sales of food for human
21 consumption which is to be consumed off the premises where it
22 is sold (other than alcoholic beverages, soft drinks and food
23 which has been prepared for immediate consumption) and
24 prescription and nonprescription medicines, drugs, medical
25 appliances and insulin, urine testing materials, syringes and
26 needles used by diabetics.

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

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

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

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

17 Beginning February 1, 2016, each month the Department shall
18 pay into the Local Government Tax Fund 10% of the net revenue
19 realized for the preceding month from the 10% rate on the
20 selling price of firearms and firearm component parts.

21 Beginning February 1, 2016, each month the Department shall
22 pay into the County and Mass Transit District Fund 2.5% of the
23 net revenue realized for the preceding month from the 10% rate
24 on the selling price of firearms and firearm component parts.

25 Beginning February 1, 2016, each month the Department shall
26 pay into the At-Risk Youth Assistance Fund 37.5% of the net

1 revenue realized for the preceding month from the 10% rate on
2 the selling price of firearms and firearm component parts.

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

10 Beginning July 1, 2013, each month the Department shall pay
11 into the Underground Storage Tank Fund from the proceeds
12 collected under this Act, the Use Tax Act, the Service Use Tax
13 Act, and the Retailers' Occupation Tax Act an amount equal to
14 the average monthly deficit in the Underground Storage Tank
15 Fund during the prior year, as certified annually by the
16 Illinois Environmental Protection Agency, but the total
17 payment into the Underground Storage Tank Fund under this Act,
18 the Use Tax Act, the Service Use Tax Act, and the Retailers'
19 Occupation Tax Act shall not exceed \$18,000,000 in any State
20 fiscal year. As used in this paragraph, the "average monthly
21 deficit" shall be equal to the difference between the average
22 monthly claims for payment by the fund and the average monthly
23 revenues deposited into the fund, excluding payments made
24 pursuant to this paragraph.

25 Of the remainder of the moneys received by the Department
26 pursuant to this Act, (a) 1.75% thereof shall be paid into the

1 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
2 and after July 1, 1989, 3.8% thereof shall be paid into the
3 Build Illinois Fund; provided, however, that if in any fiscal
4 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
5 may be, of the moneys received by the Department and required
6 to be paid into the Build Illinois Fund pursuant to Section 3
7 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
8 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
9 Service Occupation Tax Act, such Acts being hereinafter called
10 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
11 may be, of moneys being hereinafter called the "Tax Act
12 Amount", and (2) the amount transferred to the Build Illinois
13 Fund from the State and Local Sales Tax Reform Fund shall be
14 less than the Annual Specified Amount (as defined in Section 3
15 of the Retailers' Occupation Tax Act), an amount equal to the
16 difference shall be immediately paid into the Build Illinois
17 Fund from other moneys received by the Department pursuant to
18 the Tax Acts; and further provided, that if on the last
19 business day of any month the sum of (1) the Tax Act Amount
20 required to be deposited into the Build Illinois Account in the
21 Build Illinois Fund during such month and (2) the amount
22 transferred during such month to the Build Illinois Fund from
23 the State and Local Sales Tax Reform Fund shall have been less
24 than 1/12 of the Annual Specified Amount, an amount equal to
25 the difference shall be immediately paid into the Build
26 Illinois Fund from other moneys received by the Department

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

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

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

24	Fiscal Year	Total Deposit
25	1993	\$0

1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	93,000,000
10	2003	99,000,000
11	2004	103,000,000
12	2005	108,000,000
13	2006	113,000,000
14	2007	119,000,000
15	2008	126,000,000
16	2009	132,000,000
17	2010	139,000,000
18	2011	146,000,000
19	2012	153,000,000
20	2013	161,000,000
21	2014	170,000,000
22	2015	179,000,000
23	2016	189,000,000
24	2017	199,000,000
25	2018	210,000,000
26	2019	221,000,000

1	2020	233,000,000
2	2021	246,000,000
3	2022	260,000,000
4	2023	275,000,000
5	2024	275,000,000
6	2025	275,000,000
7	2026	279,000,000
8	2027	292,000,000
9	2028	307,000,000
10	2029	322,000,000
11	2030	338,000,000
12	2031	350,000,000
13	2032	350,000,000

14 and

15 each fiscal year

16 thereafter that bonds

17 are outstanding under

18 Section 13.2 of the

19 Metropolitan Pier and

20 Exposition Authority Act,

21 but not after fiscal year 2060.

22 Beginning July 20, 1993 and in each month of each fiscal
23 year thereafter, one-eighth of the amount requested in the
24 certificate of the Chairman of the Metropolitan Pier and
25 Exposition Authority for that fiscal year, less the amount
26 deposited into the McCormick Place Expansion Project Fund by

1 the State Treasurer in the respective month under subsection
2 (g) of Section 13 of the Metropolitan Pier and Exposition
3 Authority Act, plus cumulative deficiencies in the deposits
4 required under this Section for previous months and years,
5 shall be deposited into the McCormick Place Expansion Project
6 Fund, until the full amount requested for the fiscal year, but
7 not in excess of the amount specified above as "Total Deposit",
8 has been deposited.

9 Subject to payment of amounts into the Build Illinois Fund
10 and the McCormick Place Expansion Project Fund pursuant to the
11 preceding paragraphs or in any amendments thereto hereafter
12 enacted, beginning July 1, 1993 and ending on September 30,
13 2013, the Department shall each month pay into the Illinois Tax
14 Increment Fund 0.27% of 80% of the net revenue realized for the
15 preceding month from the 6.25% general rate on the selling
16 price of tangible personal property.

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

1 generating facility certified pursuant to Section 605-332 of
2 the Department of Commerce and Economic Opportunity Law of the
3 Civil Administrative Code of Illinois.

4 Subject to payment of amounts into the Build Illinois Fund,
5 the McCormick Place Expansion Project Fund, the Illinois Tax
6 Increment Fund, and the Energy Infrastructure Fund pursuant to
7 the preceding paragraphs or in any amendments to this Section
8 hereafter enacted, beginning on the first day of the first
9 calendar month to occur on or after the effective date of this
10 amendatory Act of the 98th General Assembly, each month, from
11 the collections made under Section 9 of the Use Tax Act,
12 Section 9 of the Service Use Tax Act, Section 9 of the Service
13 Occupation Tax Act, and Section 3 of the Retailers' Occupation
14 Tax Act, the Department shall pay into the Tax Compliance and
15 Administration Fund, to be used, subject to appropriation, to
16 fund additional auditors and compliance personnel at the
17 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
18 the cash receipts collected during the preceding fiscal year by
19 the Audit Bureau of the Department under the Use Tax Act, the
20 Service Use Tax Act, the Service Occupation Tax Act, the
21 Retailers' Occupation Tax Act, and associated local occupation
22 and use taxes administered by the Department.

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% shall be paid into the General
25 Revenue Fund of the State Treasury and 25% shall be reserved in
26 a special account and used only for the transfer to the Common

1 School Fund as part of the monthly transfer from the General
2 Revenue Fund in accordance with Section 8a of the State Finance
3 Act.

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

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

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

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

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

22 The foregoing portion of this Section concerning the filing
23 of an annual information return shall not apply to a serviceman
24 who is not required to file an income tax return with the
25 United States Government.

26 As soon as possible after the first day of each month, upon

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

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

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

19 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;
20 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;
21 98-1098, eff. 8-26-14.)

22 Section 25. The Retailers' Occupation Tax Act is amended by
23 changing Sections 2-10 and 3 as follows:

24 (35 ILCS 120/2-10)

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

5 Beginning January 1, 2016, with respect to firearms, as
6 defined in Section 1.1 of the Firearm Owners Identification
7 Card Act, and firearm component parts that are sold separately
8 from the firearm and are necessary for the firearm to function
9 in its intended manner, the tax is imposed at the rate of 10%.

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

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

17 Within 14 days after the effective date of this amendatory
18 Act of the 91st General Assembly, each retailer of motor fuel
19 and gasohol shall cause the following notice to be posted in a
20 prominently visible place on each retail dispensing device that
21 is used to dispense motor fuel or gasohol in the State of
22 Illinois: "As of July 1, 2000, the State of Illinois has
23 eliminated the State's share of sales tax on motor fuel and
24 gasohol through December 31, 2000. The price on this pump
25 should reflect the elimination of the tax." The notice shall be
26 printed in bold print on a sign that is no smaller than 4

1 inches by 8 inches. The sign shall be clearly visible to
2 customers. Any retailer who fails to post or maintain a
3 required sign through December 31, 2000 is guilty of a petty
4 offense for which the fine shall be \$500 per day per each
5 retail premises where a violation occurs.

6 With respect to gasohol, as defined in the Use Tax Act, the
7 tax imposed by this Act applies to (i) 70% of the proceeds of
8 sales made on or after January 1, 1990, and before July 1,
9 2003, (ii) 80% of the proceeds of sales made on or after July
10 1, 2003 and on or before December 31, 2018, and (iii) 100% of
11 the proceeds of sales made thereafter. If, at any time,
12 however, the tax under this Act on sales of gasohol, as defined
13 in the Use Tax Act, is imposed at the rate of 1.25%, then the
14 tax imposed by this Act applies to 100% of the proceeds of
15 sales of gasohol made during that time.

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

21 With respect to biodiesel blends, as defined in the Use Tax
22 Act, with no less than 1% and no more than 10% biodiesel, the
23 tax imposed by this Act applies to (i) 80% of the proceeds of
24 sales made on or after July 1, 2003 and on or before December
25 31, 2018 and (ii) 100% of the proceeds of sales made
26 thereafter. If, at any time, however, the tax under this Act on

1 sales of biodiesel blends, as defined in the Use Tax Act, with
2 no less than 1% and no more than 10% biodiesel is imposed at
3 the rate of 1.25%, then the tax imposed by this Act applies to
4 100% of the proceeds of sales of biodiesel blends with no less
5 than 1% and no more than 10% biodiesel made during that time.

6 With respect to 100% biodiesel, as defined in the Use Tax
7 Act, and biodiesel blends, as defined in the Use Tax Act, with
8 more than 10% but no more than 99% biodiesel, the tax imposed
9 by this Act does not apply to the proceeds of sales made on or
10 after July 1, 2003 and on or before December 31, 2018 but
11 applies to 100% of the proceeds of sales made thereafter.

12 With respect to food for human consumption that is to be
13 consumed off the premises where it is sold (other than
14 alcoholic beverages, soft drinks, and food that has been
15 prepared for immediate consumption) and prescription and
16 nonprescription medicines, drugs, medical appliances,
17 modifications to a motor vehicle for the purpose of rendering
18 it usable by a disabled person, and insulin, urine testing
19 materials, syringes, and needles used by diabetics, for human
20 use, the tax is imposed at the rate of 1%. For the purposes of
21 this Section, until September 1, 2009: the term "soft drinks"
22 means any complete, finished, ready-to-use, non-alcoholic
23 drink, whether carbonated or not, including but not limited to
24 soda water, cola, fruit juice, vegetable juice, carbonated
25 water, and all other preparations commonly known as soft drinks
26 of whatever kind or description that are contained in any

1 closed or sealed bottle, can, carton, or container, regardless
2 of size; but "soft drinks" does not include coffee, tea,
3 non-carbonated water, infant formula, milk or milk products as
4 defined in the Grade A Pasteurized Milk and Milk Products Act,
5 or drinks containing 50% or more natural fruit or vegetable
6 juice.

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

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

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "food for human consumption that

1 is to be consumed off the premises where it is sold" does not
2 include candy. For purposes of this Section, "candy" means a
3 preparation of sugar, honey, or other natural or artificial
4 sweeteners in combination with chocolate, fruits, nuts or other
5 ingredients or flavorings in the form of bars, drops, or
6 pieces. "Candy" does not include any preparation that contains
7 flour or requires refrigeration.

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

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

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

25 Beginning on the effective date of this amendatory Act of
26 the 98th General Assembly, "prescription and nonprescription

1 medicines and drugs" includes medical cannabis purchased from a
2 registered dispensing organization under the Compassionate Use
3 of Medical Cannabis Pilot Program Act.

4 (Source: P.A. 97-636, eff. 6-1-12; 98-122, eff. 1-1-14.)

5 (35 ILCS 120/3) (from Ch. 120, par. 442)

6 Sec. 3. Except as provided in this Section, on or before
7 the twentieth day of each calendar month, every person engaged
8 in the business of selling tangible personal property at retail
9 in this State during the preceding calendar month shall file a
10 return with the Department, stating:

11 1. The name of the seller;

12 2. His residence address and the address of his
13 principal place of business and the address of the
14 principal place of business (if that is a different
15 address) from which he engages in the business of selling
16 tangible personal property at retail in this State;

17 3. Total amount of receipts received by him during the
18 preceding calendar month or quarter, as the case may be,
19 from sales of tangible personal property, and from services
20 furnished, by him during such preceding calendar month or
21 quarter;

22 4. Total amount received by him during the preceding
23 calendar month or quarter on charge and time sales of
24 tangible personal property, and from services furnished,
25 by him prior to the month or quarter for which the return

1 is filed;

2 5. Deductions allowed by law;

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

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

8 8. The amount of tax due;

9 9. The signature of the taxpayer; and

10 10. Such other reasonable information as the
11 Department may require.

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

16 Each return shall be accompanied by the statement of
17 prepaid tax issued pursuant to Section 2e for which credit is
18 claimed.

19 Prior to October 1, 2003, and on and after September 1,
20 2004 a retailer may accept a Manufacturer's Purchase Credit
21 certification from a purchaser in satisfaction of Use Tax as
22 provided in Section 3-85 of the Use Tax Act if the purchaser
23 provides the appropriate documentation as required by Section
24 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
25 certification, accepted by a retailer prior to October 1, 2003
26 and on and after September 1, 2004 as provided in Section 3-85

1 of the Use Tax Act, may be used by that retailer to satisfy
2 Retailers' Occupation Tax liability in the amount claimed in
3 the certification, not to exceed 6.25% of the receipts subject
4 to tax from a qualifying purchase. A Manufacturer's Purchase
5 Credit reported on any original or amended return filed under
6 this Act after October 20, 2003 for reporting periods prior to
7 September 1, 2004 shall be disallowed. Manufacturer's
8 Purchaser Credit reported on annual returns due on or after
9 January 1, 2005 will be disallowed for periods prior to
10 September 1, 2004. No Manufacturer's Purchase Credit may be
11 used after September 30, 2003 through August 31, 2004 to
12 satisfy any tax liability imposed under this Act, including any
13 audit liability.

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

21 1. The name of the seller;

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

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

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

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

6 5. The amount of tax due; and

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

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

23 Beginning on October 1, 2003, every distributor, importing
24 distributor, and manufacturer of alcoholic liquor as defined in
25 the Liquor Control Act of 1934, shall file a statement with the
26 Department of Revenue, no later than the 10th day of the month

1 for the preceding month during which transactions occurred, by
2 electronic means, showing the total amount of gross receipts
3 from the sale of alcoholic liquor sold or distributed during
4 the preceding month to purchasers; identifying the purchaser to
5 whom it was sold or distributed; the purchaser's tax
6 registration number; and such other information reasonably
7 required by the Department. A distributor, importing
8 distributor, or manufacturer of alcoholic liquor must
9 personally deliver, mail, or provide by electronic means to
10 each retailer listed on the monthly statement a report
11 containing a cumulative total of that distributor's, importing
12 distributor's, or manufacturer's total sales of alcoholic
13 liquor to that retailer no later than the 10th day of the month
14 for the preceding month during which the transaction occurred.
15 The distributor, importing distributor, or manufacturer shall
16 notify the retailer as to the method by which the distributor,
17 importing distributor, or manufacturer will provide the sales
18 information. If the retailer is unable to receive the sales
19 information by electronic means, the distributor, importing
20 distributor, or manufacturer shall furnish the sales
21 information by personal delivery or by mail. For purposes of
22 this paragraph, the term "electronic means" includes, but is
23 not limited to, the use of a secure Internet website, e-mail,
24 or facsimile.

25 If a total amount of less than \$1 is payable, refundable or
26 creditable, such amount shall be disregarded if it is less than

1 50 cents and shall be increased to \$1 if it is 50 cents or more.

2 Beginning October 1, 1993, a taxpayer who has an average
3 monthly tax liability of \$150,000 or more shall make all
4 payments required by rules of the Department by electronic
5 funds transfer. Beginning October 1, 1994, a taxpayer who has
6 an average monthly tax liability of \$100,000 or more shall make
7 all payments required by rules of the Department by electronic
8 funds transfer. Beginning October 1, 1995, a taxpayer who has
9 an average monthly tax liability of \$50,000 or more shall make
10 all payments required by rules of the Department by electronic
11 funds transfer. Beginning October 1, 2000, a taxpayer who has
12 an annual tax liability of \$200,000 or more shall make all
13 payments required by rules of the Department by electronic
14 funds transfer. The term "annual tax liability" shall be the
15 sum of the taxpayer's liabilities under this Act, and under all
16 other State and local occupation and use tax laws administered
17 by the Department, for the immediately preceding calendar year.
18 The term "average monthly tax liability" shall be the sum of
19 the taxpayer's liabilities under this Act, and under all other
20 State and local occupation and use tax laws administered by the
21 Department, for the immediately preceding calendar year
22 divided by 12. Beginning on October 1, 2002, a taxpayer who has
23 a tax liability in the amount set forth in subsection (b) of
24 Section 2505-210 of the Department of Revenue Law shall make
25 all payments required by rules of the Department by electronic
26 funds transfer.

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

6 Any taxpayer not required to make payments by electronic
7 funds transfer may make payments by electronic funds transfer
8 with the permission of the Department.

9 All taxpayers required to make payment by electronic funds
10 transfer and any taxpayers authorized to voluntarily make
11 payments by electronic funds transfer shall make those payments
12 in the manner authorized by the Department.

13 The Department shall adopt such rules as are necessary to
14 effectuate a program of electronic funds transfer and the
15 requirements of this Section.

16 Any amount which is required to be shown or reported on any
17 return or other document under this Act shall, if such amount
18 is not a whole-dollar amount, be increased to the nearest
19 whole-dollar amount in any case where the fractional part of a
20 dollar is 50 cents or more, and decreased to the nearest
21 whole-dollar amount where the fractional part of a dollar is
22 less than 50 cents.

23 If the retailer is otherwise required to file a monthly
24 return and if the retailer's average monthly tax liability to
25 the Department does not exceed \$200, the Department may
26 authorize his returns to be filed on a quarter annual basis,

1 with the return for January, February and March of a given year
2 being due by April 20 of such year; with the return for April,
3 May and June of a given year being due by July 20 of such year;
4 with the return for July, August and September of a given year
5 being due by October 20 of such year, and with the return for
6 October, November and December of a given year being due by
7 January 20 of the following year.

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

14 Such quarter annual and annual returns, as to form and
15 substance, shall be subject to the same requirements as monthly
16 returns.

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

24 Where the same person has more than one business registered
25 with the Department under separate registrations under this
26 Act, such person may not file each return that is due as a

1 single return covering all such registered businesses, but
2 shall file separate returns for each such registered business.

3 In addition, with respect to motor vehicles, watercraft,
4 aircraft, and trailers that are required to be registered with
5 an agency of this State, every retailer selling this kind of
6 tangible personal property shall file, with the Department,
7 upon a form to be prescribed and supplied by the Department, a
8 separate return for each such item of tangible personal
9 property which the retailer sells, except that if, in the same
10 transaction, (i) a retailer of aircraft, watercraft, motor
11 vehicles or trailers transfers more than one aircraft,
12 watercraft, motor vehicle or trailer to another aircraft,
13 watercraft, motor vehicle retailer or trailer retailer for the
14 purpose of resale or (ii) a retailer of aircraft, watercraft,
15 motor vehicles, or trailers transfers more than one aircraft,
16 watercraft, motor vehicle, or trailer to a purchaser for use as
17 a qualifying rolling stock as provided in Section 2-5 of this
18 Act, then that seller may report the transfer of all aircraft,
19 watercraft, motor vehicles or trailers involved in that
20 transaction to the Department on the same uniform
21 invoice-transaction reporting return form. For purposes of
22 this Section, "watercraft" means a Class 2, Class 3, or Class 4
23 watercraft as defined in Section 3-2 of the Boat Registration
24 and Safety Act, a personal watercraft, or any boat equipped
25 with an inboard motor.

26 Any retailer who sells only motor vehicles, watercraft,

1 aircraft, or trailers that are required to be registered with
2 an agency of this State, so that all retailers' occupation tax
3 liability is required to be reported, and is reported, on such
4 transaction reporting returns and who is not otherwise required
5 to file monthly or quarterly returns, need not file monthly or
6 quarterly returns. However, those retailers shall be required
7 to file returns on an annual basis.

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

1 such other information as the Department may reasonably
2 require.

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

19 Such transaction reporting return shall be filed not later
20 than 20 days after the day of delivery of the item that is
21 being sold, but may be filed by the retailer at any time sooner
22 than that if he chooses to do so. The transaction reporting
23 return and tax remittance or proof of exemption from the
24 Illinois use tax may be transmitted to the Department by way of
25 the State agency with which, or State officer with whom the
26 tangible personal property must be titled or registered (if

1 titling or registration is required) if the Department and such
2 agency or State officer determine that this procedure will
3 expedite the processing of applications for title or
4 registration.

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

18 No retailer's failure or refusal to remit tax under this
19 Act precludes a user, who has paid the proper tax to the
20 retailer, from obtaining his certificate of title or other
21 evidence of title or registration (if titling or registration
22 is required) upon satisfying the Department that such user has
23 paid the proper tax (if tax is due) to the retailer. The
24 Department shall adopt appropriate rules to carry out the
25 mandate of this paragraph.

26 If the user who would otherwise pay tax to the retailer

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

18 Refunds made by the seller during the preceding return
19 period to purchasers, on account of tangible personal property
20 returned to the seller, shall be allowed as a deduction under
21 subdivision 5 of his monthly or quarterly return, as the case
22 may be, in case the seller had theretofore included the
23 receipts from the sale of such tangible personal property in a
24 return filed by him and had paid the tax imposed by this Act
25 with respect to such receipts.

26 Where the seller is a corporation, the return filed on

1 behalf of such corporation shall be signed by the president,
2 vice-president, secretary or treasurer or by the properly
3 accredited agent of such corporation.

4 Where the seller is a limited liability company, the return
5 filed on behalf of the limited liability company shall be
6 signed by a manager, member, or properly accredited agent of
7 the limited liability company.

8 Except as provided in this Section, the retailer filing the
9 return under this Section shall, at the time of filing such
10 return, pay to the Department the amount of tax imposed by this
11 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
12 on and after January 1, 1990, or \$5 per calendar year,
13 whichever is greater, which is allowed to reimburse the
14 retailer for the expenses incurred in keeping records,
15 preparing and filing returns, remitting the tax and supplying
16 data to the Department on request. Any prepayment made pursuant
17 to Section 2d of this Act shall be included in the amount on
18 which such 2.1% or 1.75% discount is computed. In the case of
19 retailers who report and pay the tax on a transaction by
20 transaction basis, as provided in this Section, such discount
21 shall be taken with each such tax remittance instead of when
22 such retailer files his periodic return. The Department may
23 disallow the discount for retailers whose certificate of
24 registration is revoked at the time the return is filed, but
25 only if the Department's decision to revoke the certificate of
26 registration has become final.

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

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

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

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

24 The provisions of this paragraph apply before October 1,
25 2001. Without regard to whether a taxpayer is required to make
26 quarter monthly payments as specified above, any taxpayer who

1 is required by Section 2d of this Act to collect and remit
2 prepaid taxes and has collected prepaid taxes which average in
3 excess of \$25,000 per month during the preceding 2 complete
4 calendar quarters, shall file a return with the Department as
5 required by Section 2f and shall make payments to the
6 Department on or before the 7th, 15th, 22nd and last day of the
7 month during which such liability is incurred. If the month
8 during which such tax liability is incurred began prior to the
9 effective date of this amendatory Act of 1985, each payment
10 shall be in an amount not less than 22.5% of the taxpayer's
11 actual liability under Section 2d. If the month during which
12 such tax liability is incurred begins on or after January 1,
13 1986, each payment shall be in an amount equal to 22.5% of the
14 taxpayer's actual liability for the month or 27.5% of the
15 taxpayer's liability for the same calendar month of the
16 preceding calendar year. If the month during which such tax
17 liability is incurred begins on or after January 1, 1987, each
18 payment shall be in an amount equal to 22.5% of the taxpayer's
19 actual liability for the month or 26.25% of the taxpayer's
20 liability for the same calendar month of the preceding year.
21 The amount of such quarter monthly payments shall be credited
22 against the final tax liability of the taxpayer's return for
23 that month filed under this Section or Section 2f, as the case
24 may be. Once applicable, the requirement of the making of
25 quarter monthly payments to the Department pursuant to this
26 paragraph shall continue until such taxpayer's average monthly

1 prepaid tax collections during the preceding 2 complete
2 calendar quarters is \$25,000 or less. If any such quarter
3 monthly payment is not paid at the time or in the amount
4 required, the taxpayer shall be liable for penalties and
5 interest on such difference, except insofar as the taxpayer has
6 previously made payments for that month in excess of the
7 minimum payments previously due.

8 The provisions of this paragraph apply on and after October
9 1, 2001. Without regard to whether a taxpayer is required to
10 make quarter monthly payments as specified above, any taxpayer
11 who is required by Section 2d of this Act to collect and remit
12 prepaid taxes and has collected prepaid taxes that average in
13 excess of \$20,000 per month during the preceding 4 complete
14 calendar quarters shall file a return with the Department as
15 required by Section 2f and shall make payments to the
16 Department on or before the 7th, 15th, 22nd and last day of the
17 month during which the liability is incurred. Each payment
18 shall be in an amount equal to 22.5% of the taxpayer's actual
19 liability for the month or 25% of the taxpayer's liability for
20 the same calendar month of the preceding year. The amount of
21 the quarter monthly payments shall be credited against the
22 final tax liability of the taxpayer's return for that month
23 filed under this Section or Section 2f, as the case may be.
24 Once applicable, the requirement of the making of quarter
25 monthly payments to the Department pursuant to this paragraph
26 shall continue until the taxpayer's average monthly prepaid tax

1 collections during the preceding 4 complete calendar quarters
2 (excluding the month of highest liability and the month of
3 lowest liability) is less than \$19,000 or until such taxpayer's
4 average monthly liability to the Department as computed for
5 each calendar quarter of the 4 preceding complete calendar
6 quarters is less than \$20,000. If any such quarter monthly
7 payment is not paid at the time or in the amount required, the
8 taxpayer shall be liable for penalties and interest on such
9 difference, except insofar as the taxpayer has previously made
10 payments for that month in excess of the minimum payments
11 previously due.

12 If any payment provided for in this Section exceeds the
13 taxpayer's liabilities under this Act, the Use Tax Act, the
14 Service Occupation Tax Act and the Service Use Tax Act, as
15 shown on an original monthly return, the Department shall, if
16 requested by the taxpayer, issue to the taxpayer a credit
17 memorandum no later than 30 days after the date of payment. The
18 credit evidenced by such credit memorandum may be assigned by
19 the taxpayer to a similar taxpayer under this Act, the Use Tax
20 Act, the Service Occupation Tax Act or the Service Use Tax Act,
21 in accordance with reasonable rules and regulations to be
22 prescribed by the Department. If no such request is made, the
23 taxpayer may credit such excess payment against tax liability
24 subsequently to be remitted to the Department under this Act,
25 the Use Tax Act, the Service Occupation Tax Act or the Service
26 Use Tax Act, in accordance with reasonable rules and

1 regulations prescribed by the Department. If the Department
2 subsequently determined that all or any part of the credit
3 taken was not actually due to the taxpayer, the taxpayer's 2.1%
4 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
5 of the difference between the credit taken and that actually
6 due, and that taxpayer shall be liable for penalties and
7 interest on such difference.

8 If a retailer of motor fuel is entitled to a credit under
9 Section 2d of this Act which exceeds the taxpayer's liability
10 to the Department under this Act for the month which the
11 taxpayer is filing a return, the Department shall issue the
12 taxpayer a credit memorandum for the excess.

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

23 Beginning January 1, 1990, each month the Department shall
24 pay into the County and Mass Transit District Fund, a special
25 fund in the State treasury which is hereby created, 4% of the
26 net revenue realized for the preceding month from the 6.25%

1 general rate.

2 Beginning August 1, 2000, each month the Department shall
3 pay into the County and Mass Transit District Fund 20% of the
4 net revenue realized for the preceding month from the 1.25%
5 rate on the selling price of motor fuel and gasohol. Beginning
6 September 1, 2010, each month the Department shall pay into the
7 County and Mass Transit District Fund 20% of the net revenue
8 realized for the preceding month from the 1.25% rate on the
9 selling price of sales tax holiday items.

10 Beginning January 1, 1990, each month the Department shall
11 pay into the Local Government Tax Fund 16% of the net revenue
12 realized for the preceding month from the 6.25% general rate on
13 the selling price of tangible personal property.

14 Beginning August 1, 2000, each month the Department shall
15 pay into the Local Government Tax Fund 80% of the net revenue
16 realized for the preceding month from the 1.25% rate on the
17 selling price of motor fuel and gasohol. Beginning September 1,
18 2010, each month the Department shall pay into the Local
19 Government Tax Fund 80% of the net revenue realized for the
20 preceding month from the 1.25% rate on the selling price of
21 sales tax holiday items.

22 Beginning October 1, 2009, each month the Department shall
23 pay into the Capital Projects Fund an amount that is equal to
24 an amount estimated by the Department to represent 80% of the
25 net revenue realized for the preceding month from the sale of
26 candy, grooming and hygiene products, and soft drinks that had

1 been taxed at a rate of 1% prior to September 1, 2009 but that
2 are now taxed at 6.25%.

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

12 Beginning July 1, 2013, each month the Department shall pay
13 into the Underground Storage Tank Fund from the proceeds
14 collected under this Act, the Use Tax Act, the Service Use Tax
15 Act, and the Service Occupation Tax Act an amount equal to the
16 average monthly deficit in the Underground Storage Tank Fund
17 during the prior year, as certified annually by the Illinois
18 Environmental Protection Agency, but the total payment into the
19 Underground Storage Tank Fund under this Act, the Use Tax Act,
20 the Service Use Tax Act, and the Service Occupation Tax Act
21 shall not exceed \$18,000,000 in any State fiscal year. As used
22 in this paragraph, the "average monthly deficit" shall be equal
23 to the difference between the average monthly claims for
24 payment by the fund and the average monthly revenues deposited
25 into the fund, excluding payments made pursuant to this
26 paragraph.

1 Beginning February 1, 2016, each month the Department shall
2 pay into the Local Government Tax Fund 10% of the net revenue
3 realized for the preceding month from the 10% rate on the
4 selling price of firearms and firearm component parts.

5 Beginning February 1, 2016, each month the Department shall
6 pay into the County and Mass Transit District Fund 2.5% of the
7 net revenue realized for the preceding month from the 10% rate
8 on the selling price of firearms and firearm component parts.

9 Beginning February 1, 2016, each month the Department shall
10 pay into the At-Risk Youth Assistance Fund 37.5% of the net
11 revenue realized for the preceding month from the 10% rate on
12 the selling price of firearms and firearm component parts.

13 Of the remainder of the moneys received by the Department
14 pursuant to this Act, (a) 1.75% thereof shall be paid into the
15 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
16 and after July 1, 1989, 3.8% thereof shall be paid into the
17 Build Illinois Fund; provided, however, that if in any fiscal
18 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
19 may be, of the moneys received by the Department and required
20 to be paid into the Build Illinois Fund pursuant to this Act,
21 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
22 Act, and Section 9 of the Service Occupation Tax Act, such Acts
23 being hereinafter called the "Tax Acts" and such aggregate of
24 2.2% or 3.8%, as the case may be, of moneys being hereinafter
25 called the "Tax Act Amount", and (2) the amount transferred to
26 the Build Illinois Fund from the State and Local Sales Tax

1 Reform Fund shall be less than the Annual Specified Amount (as
2 hereinafter defined), an amount equal to the difference shall
3 be immediately paid into the Build Illinois Fund from other
4 moneys received by the Department pursuant to the Tax Acts; the
5 "Annual Specified Amount" means the amounts specified below for
6 fiscal years 1986 through 1993:

7	Fiscal Year	Annual Specified Amount
8	1986	\$54,800,000
9	1987	\$76,650,000
10	1988	\$80,480,000
11	1989	\$88,510,000
12	1990	\$115,330,000
13	1991	\$145,470,000
14	1992	\$182,730,000
15	1993	\$206,520,000;

16 and means the Certified Annual Debt Service Requirement (as
17 defined in Section 13 of the Build Illinois Bond Act) or the
18 Tax Act Amount, whichever is greater, for fiscal year 1994 and
19 each fiscal year thereafter; and further provided, that if on
20 the last business day of any month the sum of (1) the Tax Act
21 Amount required to be deposited into the Build Illinois Bond
22 Account in the Build Illinois Fund during such month and (2)
23 the amount transferred to the Build Illinois Fund from the
24 State and Local Sales Tax Reform Fund shall have been less than
25 1/12 of the Annual Specified Amount, an amount equal to the
26 difference shall be immediately paid into the Build Illinois

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

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

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

25	Fiscal Year	Total Deposit
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1	1993	\$0
2	1994	53,000,000
3	1995	58,000,000
4	1996	61,000,000
5	1997	64,000,000
6	1998	68,000,000
7	1999	71,000,000
8	2000	75,000,000
9	2001	80,000,000
10	2002	93,000,000
11	2003	99,000,000
12	2004	103,000,000
13	2005	108,000,000
14	2006	113,000,000
15	2007	119,000,000
16	2008	126,000,000
17	2009	132,000,000
18	2010	139,000,000
19	2011	146,000,000
20	2012	153,000,000
21	2013	161,000,000
22	2014	170,000,000
23	2015	179,000,000
24	2016	189,000,000
25	2017	199,000,000
26	2018	210,000,000

1	2019	221,000,000
2	2020	233,000,000
3	2021	246,000,000
4	2022	260,000,000
5	2023	275,000,000
6	2024	275,000,000
7	2025	275,000,000
8	2026	279,000,000
9	2027	292,000,000
10	2028	307,000,000
11	2029	322,000,000
12	2030	338,000,000
13	2031	350,000,000
14	2032	350,000,000

15 and

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

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount

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

10 Subject to payment of amounts into the Build Illinois Fund
11 and the McCormick Place Expansion Project Fund pursuant to the
12 preceding paragraphs or in any amendments thereto hereafter
13 enacted, beginning July 1, 1993 and ending on September 30,
14 2013, the Department shall each month pay into the Illinois Tax
15 Increment Fund 0.27% of 80% of the net revenue realized for the
16 preceding month from the 6.25% general rate on the selling
17 price of tangible personal property.

18 Subject to payment of amounts into the Build Illinois Fund
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, beginning with the receipt of the first report of
22 taxes paid by an eligible business and continuing for a 25-year
23 period, the Department shall each month pay into the Energy
24 Infrastructure Fund 80% of the net revenue realized from the
25 6.25% general rate on the selling price of Illinois-mined coal
26 that was sold to an eligible business. For purposes of this

1 paragraph, the term "eligible business" means a new electric
2 generating facility certified pursuant to Section 605-332 of
3 the Department of Commerce and Economic Opportunity Law of the
4 Civil Administrative Code of Illinois.

5 Subject to payment of amounts into the Build Illinois Fund,
6 the McCormick Place Expansion Project Fund, the Illinois Tax
7 Increment Fund, and the Energy Infrastructure Fund pursuant to
8 the preceding paragraphs or in any amendments to this Section
9 hereafter enacted, beginning on the first day of the first
10 calendar month to occur on or after the effective date of this
11 amendatory Act of the 98th General Assembly, each month, from
12 the collections made under Section 9 of the Use Tax Act,
13 Section 9 of the Service Use Tax Act, Section 9 of the Service
14 Occupation Tax Act, and Section 3 of the Retailers' Occupation
15 Tax Act, the Department shall pay into the Tax Compliance and
16 Administration Fund, to be used, subject to appropriation, to
17 fund additional auditors and compliance personnel at the
18 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
19 the cash receipts collected during the preceding fiscal year by
20 the Audit Bureau of the Department under the Use Tax Act, the
21 Service Use Tax Act, the Service Occupation Tax Act, the
22 Retailers' Occupation Tax Act, and associated local occupation
23 and use taxes administered by the Department.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, 75% thereof shall be paid into the State
26 Treasury and 25% shall be reserved in a special account and

1 used only for the transfer to the Common School Fund as part of
2 the monthly transfer from the General Revenue Fund in
3 accordance with Section 8a of the State Finance Act.

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

1 If the annual information return required by this Section
2 is not filed when and as required, the taxpayer shall be liable
3 as follows:

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

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

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

22 The provisions of this Section concerning the filing of an
23 annual information return do not apply to a retailer who is not
24 required to file an income tax return with the United States
25 Government.

26 As soon as possible after the first day of each month, upon

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

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

11 For greater simplicity of administration, manufacturers,
12 importers and wholesalers whose products are sold at retail in
13 Illinois by numerous retailers, and who wish to do so, may
14 assume the responsibility for accounting and paying to the
15 Department all tax accruing under this Act with respect to such
16 sales, if the retailers who are affected do not make written
17 objection to the Department to this arrangement.

18 Any person who promotes, organizes, provides retail
19 selling space for concessionaires or other types of sellers at
20 the Illinois State Fair, DuQuoin State Fair, county fairs,
21 local fairs, art shows, flea markets and similar exhibitions or
22 events, including any transient merchant as defined by Section
23 2 of the Transient Merchant Act of 1987, is required to file a
24 report with the Department providing the name of the merchant's
25 business, the name of the person or persons engaged in
26 merchant's business, the permanent address and Illinois

1 Retailers Occupation Tax Registration Number of the merchant,
2 the dates and location of the event and other reasonable
3 information that the Department may require. The report must be
4 filed not later than the 20th day of the month next following
5 the month during which the event with retail sales was held.
6 Any person who fails to file a report required by this Section
7 commits a business offense and is subject to a fine not to
8 exceed \$250.

9 Any person engaged in the business of selling tangible
10 personal property at retail as a concessionaire or other type
11 of seller at the Illinois State Fair, county fairs, art shows,
12 flea markets and similar exhibitions or events, or any
13 transient merchants, as defined by Section 2 of the Transient
14 Merchant Act of 1987, may be required to make a daily report of
15 the amount of such sales to the Department and to make a daily
16 payment of the full amount of tax due. The Department shall
17 impose this requirement when it finds that there is a
18 significant risk of loss of revenue to the State at such an
19 exhibition or event. Such a finding shall be based on evidence
20 that a substantial number of concessionaires or other sellers
21 who are not residents of Illinois will be engaging in the
22 business of selling tangible personal property at retail at the
23 exhibition or event, or other evidence of a significant risk of
24 loss of revenue to the State. The Department shall notify
25 concessionaires and other sellers affected by the imposition of
26 this requirement. In the absence of notification by the

1 Department, the concessionaires and other sellers shall file
2 their returns as otherwise required in this Section.

3 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,
4 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;
5 98-756, eff. 7-16-14; 98-1098, eff. 8-26-14.)

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