



## 99TH GENERAL ASSEMBLY

### State of Illinois

2015 and 2016

SB1732

Introduced 2/20/2015, by Sen. Pamela J. Althoff

#### SYNOPSIS AS INTRODUCED:

See Index

Amends the State Finance Act to create the Sales and Excise Tax Refund Fund. Provides that moneys in the Fund shall be used by the Department of Revenue to pay refunds under various tax Acts. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act to provide that 0.18% of 80% of the net revenue realized for the preceding month from the 6.25% general rate on the selling price of tangible personal property shall be deposited each month into the Sales and Excise Tax Refund Fund. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, the Retailers' Occupation Tax Act, the Cigarette Machine Operators' Occupation Tax Act, the Cigarette Tax Act, the Cigarette Use Tax Act, the Coin-Operated Amusement Device and Redemption Machine Tax Act, the Messages Tax Act, the Gas Revenue Tax Act, the Public Utilities Revenue Act, the Water Company Invested Capital Tax Act, the Telecommunications Excise Tax Act, and the Liquor Control Act of 1934 to provide that refunds shall be made under those Acts from the Sales and Excise Tax Refund Fund (instead of from appropriations made available for that purpose). Effective July 1, 2015.

LRB099 10341 HLH 30568 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

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

6 (30 ILCS 105/5.866 new)

7 Sec. 5.866. The Sales and Excise Tax Refund Fund.

8 (30 ILCS 105/6z-101 new)

9 Sec. 6z-101. The Sales and Excise Tax Refund Fund.

10 (a) The Sales and Excise Tax Refund Fund is hereby created  
11 as a special fund in the State Treasury. Moneys in the Fund  
12 shall be used by the Department of Revenue to pay refunds as  
13 provided in Section 19 of the Use Tax Act, Section 17 of the  
14 Service Use Tax Act, Section 17 of the Service Occupation Tax  
15 Act, Section 6 of the Retailers' Occupation Tax Act, Section  
16 1-55 of the Cigarette Machine Operators' Occupation Tax Act,  
17 Section 9d of the Cigarette Tax Act, Section 14a of the  
18 Cigarette Use Tax Act, Section 2 of the Coin-Operated Amusement  
19 Device and Redemption Machine Tax Act, Section 6 of the  
20 Messages Tax Act, Section 6 of the Gas Revenue Tax Act, Section  
21 6 of the Public Utilities Revenue Act, Section 6 of the Water  
22 Company Invested Capital Tax Act, Section 10 of the

1 Telecommunications Excise Tax Act, Section 8-3 of the Liquor  
2 Control Act, and any other Act that authorizes, either directly  
3 or by incorporation of provisions of another Act, payment of  
4 refunds out of the Fund, as well as to pay to the State  
5 Treasurer the amount of any credit memorandums or refunds under  
6 the Acts covered by this Section that qualify as unclaimed  
7 property under the Uniform Disposition of Unclaimed Property  
8 Act.

9 (b) Moneys in the Sales and Excise Tax Refund Fund shall be  
10 expended exclusively for the purpose of paying refunds, paying  
11 unclaimed property, and making transfers, all pursuant to this  
12 Section.

13 (c) The Director of Revenue shall order payment of refunds  
14 under this Section from the Sales and Excise Tax Refund Fund  
15 only to the extent that amounts collected pursuant to Section 3  
16 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
17 Act, Section 9 of the Service Occupation Tax Act, and Section 9  
18 of the Service Use Tax Act have been deposited and retained in  
19 the Fund.

20 As soon as possible after the end of each fiscal year, the  
21 Director of Revenue shall order transferred and the State  
22 Treasurer and State Comptroller shall transfer from the Sales  
23 and Excise Tax Refund Fund to the General Revenue Fund any  
24 surplus remaining in the Sales and Excise Tax Refund Fund as of  
25 the end of such fiscal year.

26 This Section shall constitute an irrevocable and

1 continuing appropriation from the Sales and Excise Tax Refund  
2 Fund for the purpose of paying refunds and unclaimed property  
3 upon the order of the Director in accordance with the  
4 provisions of this Section.

5 Section 10. The Use Tax Act is amended by changing Sections  
6 9 and 19 as follows:

7 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 registration is revoked at the time the return is filed, but  
2 only if the Department's decision to revoke the certificate of  
3 registration has become final. A retailer need not remit that  
4 part of any tax collected by him to the extent that he is  
5 required to remit and does remit the tax imposed by the  
6 Retailers' Occupation Tax Act, with respect to the sale of the  
7 same property.

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

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

23 The Department may require returns to be filed on a  
24 quarterly basis. If so required, a return for each calendar  
25 quarter shall be filed on or before the twentieth day of the  
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each  
2 of the first two months of each calendar quarter, on or before  
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

5 2. The address of the principal place of business from  
6 which he engages in the business of selling tangible  
7 personal property at retail in this State;

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

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

15 5. The amount of tax due;

16 5-5. The signature of the taxpayer; and

17 6. Such other reasonable information as the Department  
18 may require.

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

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

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

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

1 Any taxpayer not required to make payments by electronic  
2 funds transfer may make payments by electronic funds transfer  
3 with the permission of the Department.

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

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

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



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

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

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

1           If any such payment provided for in this Section exceeds  
2 the taxpayer's liabilities under this Act, the Retailers'  
3 Occupation Tax Act, the Service Occupation Tax Act and the  
4 Service Use Tax Act, as shown by an original monthly return,  
5 the Department shall issue to the taxpayer a credit memorandum  
6 no later than 30 days after the date of payment, which  
7 memorandum may be submitted by the taxpayer to the Department  
8 in payment of tax liability subsequently to be remitted by the  
9 taxpayer to the Department or be assigned by the taxpayer to a  
10 similar taxpayer under this Act, the Retailers' Occupation Tax  
11 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
12 in accordance with reasonable rules and regulations to be  
13 prescribed by the Department, except that if such excess  
14 payment is shown on an original monthly return and is made  
15 after December 31, 1986, no credit memorandum shall be issued,  
16 unless requested by the taxpayer. If no such request is made,  
17 the taxpayer may credit such excess payment against tax  
18 liability subsequently to be remitted by the taxpayer to the  
19 Department under this Act, the Retailers' Occupation Tax Act,  
20 the Service Occupation Tax Act or the Service Use Tax Act, in  
21 accordance with reasonable rules and regulations prescribed by  
22 the Department. If the Department subsequently determines that  
23 all or any part of the credit taken was not actually due to the  
24 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall  
25 be reduced by 2.1% or 1.75% of the difference between the  
26 credit taken and that actually due, and the taxpayer shall be

1 liable for penalties and interest on such difference.

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

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

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

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

1 Department not more than one month after discontinuing such  
2 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 or trailer retailer for the purpose  
14 of resale or (ii) a retailer of aircraft, watercraft, motor  
15 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 3-55 of this  
18 Act, then that seller may report the transfer of all the  
19 aircraft, watercraft, motor vehicles or trailers involved in  
20 that 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 The transaction reporting return in the case of motor

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

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

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

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

23 With each such transaction reporting return, the retailer  
24 shall remit the proper amount of tax due (or shall submit  
25 satisfactory evidence that the sale is not taxable if that is  
26 the case), to the Department or its agents, whereupon the



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

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

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

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

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

26 Any retailer filing a return under this Section shall also

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

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

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

19 Beginning January 1, 1990, each month the Department shall  
20 pay into the State and Local Sales Tax Reform Fund, a special  
21 fund in the State Treasury which is hereby created, the net  
22 revenue realized for the preceding month from the 1% tax on  
23 sales of food for human consumption which is to be consumed off  
24 the premises where it is sold (other than alcoholic beverages,  
25 soft drinks and food which has been prepared for immediate  
26 consumption) and prescription and nonprescription medicines,

1 drugs, medical appliances and insulin, urine testing  
2 materials, syringes and needles used by diabetics.

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

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

18 Beginning August 1, 2000, each month the Department shall  
19 pay into the State and Local Sales Tax Reform Fund 100% of the  
20 net revenue realized for the preceding month from the 1.25%  
21 rate on the selling price of motor fuel and gasohol. Beginning  
22 September 1, 2010, each month the Department shall pay into the  
23 State and Local Sales Tax Reform Fund 100% of the net revenue  
24 realized for the preceding month from the 1.25% rate on the  
25 selling price of sales tax holiday items.

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

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

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

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

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

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

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

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

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

25 Subject to payment of amounts into the Build Illinois Fund  
26 as provided in the preceding paragraph or in any amendment



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

11	Fiscal Year	Total Deposit
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000
26	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           Beginning on July 1, 2015, subject to payment of amounts  
22      into the Capital Projects Fund, the Clean Air Act (CAA) Permit  
23      Fund, the Build Illinois Fund, and the McCormick Place  
24      Expansion Project Fund pursuant to the preceding paragraphs or  
25      in any amendments thereto hereafter enacted, the Department  
26      shall each month deposit into the Sales and Excise Tax Refund

1 Fund 0.18% of 80% of the net revenue realized for the preceding  
2 month from the 6.25% general rate on the selling price of  
3 tangible personal property.

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

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

25 Subject to payment of amounts into the Build Illinois Fund,  
26 the McCormick Place Expansion Project Fund, the Illinois Tax

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

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

24 As soon as possible after the first day of each month, upon  
25 certification of the Department of Revenue, the Comptroller  
26 shall order transferred and the Treasurer shall transfer from

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

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

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

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

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

20 Sec. 19. If it shall appear that an amount of tax or  
21 penalty or interest has been paid in error hereunder to the  
22 Department by a purchaser, as distinguished from the retailer,  
23 whether such amount be paid through a mistake of fact or an  
24 error of law, such purchaser may file a claim for credit or  
25 refund with the Department in accordance with Sections 6, 6a,

1 6b, and 6c of the Retailers' Occupation Tax Act. If it shall  
2 appear that an amount of tax or penalty or interest has been  
3 paid in error to the Department hereunder by a retailer who is  
4 required or authorized to collect and remit the use tax,  
5 whether such amount be paid through a mistake of fact or an  
6 error of law, such retailer may file a claim for credit or  
7 refund with the Department in accordance with Sections 6, 6a,  
8 6b, and 6c of the Retailers' Occupation Tax Act, provided that  
9 no credit or refund shall be allowed for any amount paid by any  
10 such retailer unless it shall appear that he bore the burden of  
11 such amount and did not shift the burden thereof to anyone else  
12 (as in the case of a duplicated tax payment which the retailer  
13 made to the Department and did not collect from anyone else),  
14 or unless it shall appear that he or she or his or her legal  
15 representative has unconditionally repaid such amount to his  
16 vendee (1) who bore the burden thereof and has not shifted such  
17 burden directly or indirectly in any manner whatsoever; (2)  
18 who, if he has shifted such burden, has repaid unconditionally  
19 such amount to his or her own vendee, and (3) who is not  
20 entitled to receive any reimbursement therefor from any other  
21 source than from his vendor, nor to be relieved of such burden  
22 in any other manner whatsoever. If it shall appear that an  
23 amount of tax has been paid in error hereunder by the purchaser  
24 to a retailer, who retained such tax as reimbursement for his  
25 or her tax liability on the same sale under the Retailers'  
26 Occupation Tax Act, and who remitted the amount involved to the

1 Department under the Retailers' Occupation Tax Act, whether  
2 such amount be paid through a mistake of fact or an error of  
3 law, the procedure for recovering such tax shall be that  
4 prescribed in Sections 6, 6a, 6b and 6c of the Retailers'  
5 Occupation Tax Act.

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

9 Any claim filed hereunder shall be filed upon a form  
10 prescribed and furnished by the Department. The claim shall be  
11 signed by the claimant (or by the claimant's legal  
12 representative if the claimant shall have died or become a  
13 person under legal disability), or by a duly authorized agent  
14 of the claimant or his or her legal representative.

15 A claim for credit or refund shall be considered to have  
16 been filed with the Department on the date upon which it is  
17 received by the Department. Upon receipt of any claim for  
18 credit or refund filed under this Act, any officer or employee  
19 of the Department, authorized in writing by the Director of  
20 Revenue to acknowledge receipt of such claims on behalf of the  
21 Department, shall execute on behalf of the Department, and  
22 shall deliver or mail to the claimant or his duly authorized  
23 agent, a written receipt, acknowledging that the claim has been  
24 filed with the Department, describing the claim in sufficient  
25 detail to identify it and stating the date upon which the claim  
26 was received by the Department. Such written receipt shall be



1 prima facie evidence that the Department received the claim  
2 described in such receipt and shall be prima facie evidence of  
3 the date when such claim was received by the Department. In the  
4 absence of such a written receipt, the records of the  
5 Department as to when the claim was received by the Department,  
6 or as to whether or not the claim was received at all by the  
7 Department, shall be deemed to be prima facie correct upon  
8 these questions in the event of any dispute between the  
9 claimant (or his or her legal representative) and the  
10 Department concerning these questions.

11 In case the Department determines that the claimant is  
12 entitled to a refund, such refund shall be made only from the  
13 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
14 available for that purpose. If it appears unlikely that the  
15 amount available ~~appropriated~~ would permit everyone having a  
16 claim allowed ~~during the period covered by such appropriation~~  
17 to elect to receive a cash refund, the Department, by rule or  
18 regulation, shall provide for the payment of refunds in  
19 hardship cases and shall define what types of cases qualify as  
20 hardship cases.

21 If a retailer who has failed to pay use tax on gross  
22 receipts from retail sales is required by the Department to pay  
23 such tax, such retailer, without filing any formal claim with  
24 the Department, shall be allowed to take credit against such  
25 use tax liability to the extent, if any, to which such retailer  
26 has paid an amount equivalent to retailers' occupation tax or

1 has paid use tax in error to his or her vendor or vendors of the  
2 same tangible personal property which such retailer bought for  
3 resale and did not first use before selling it, and no penalty  
4 or interest shall be charged to such retailer on the amount of  
5 such credit. However, when such credit is allowed to the  
6 retailer by the Department, the vendor is precluded from  
7 refunding any of that tax to the retailer and filing a claim  
8 for credit or refund with respect thereto with the Department.  
9 The provisions of this amendatory Act shall be applied  
10 retroactively, regardless of the date of the transaction.  
11 (Source: P.A. 90-562, eff. 12-16-97.)

12 Section 15. The Service Use Tax Act is amended by changing  
13 Sections 9 and 17 as follows:

14 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

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

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

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

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

23 1. The name of the seller;

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

26 3. The total amount of taxable receipts received by him

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

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

6 5. The amount of tax due;

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

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

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

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

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

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

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

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

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

1 requirements of this Section.

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

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

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

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

1 Act with the Department not more than 1 month after  
2 discontinuing such business.

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

25                   Beginning July 20, 1993 and in each month of each fiscal  
26                   year thereafter, one-eighth of the amount requested in the

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

12 Beginning on July 1, 2015, subject to payment of amounts  
13 into the Capital Projects Fund, the Build Illinois Fund, and  
14 the McCormick Place Expansion Project Fund pursuant to the  
15 preceding paragraphs or in any amendments thereto hereafter  
16 enacted, the Department shall each month deposit into the Sales  
17 and Excise Tax Refund Fund 0.18% of 80% of the net revenue  
18 realized for the preceding month from the 6.25% general rate on  
19 the selling price of tangible personal property.

20 Subject to payment of amounts into the Build Illinois Fund  
21 and the McCormick Place Expansion Project Fund pursuant to the  
22 preceding paragraphs or in any amendments thereto hereafter  
23 enacted, beginning July 1, 1993 and ending on September 30,  
24 2013, the Department shall each month pay into the Illinois Tax  
25 Increment Fund 0.27% of 80% of the net revenue realized for the  
26 preceding month from the 6.25% general rate on the selling

1 price of tangible personal property.

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

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



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

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

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

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

26 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;

1 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;  
2 98-1098, eff. 8-26-14.)

3 (35 ILCS 110/17) (from Ch. 120, par. 439.47)

4 Sec. 17. If it shall appear that an amount of tax or  
5 penalty or interest has been paid in error hereunder to the  
6 Department by a purchaser, as distinguished from the  
7 serviceman, whether such amount be paid through a mistake of  
8 fact or an error of law, such purchaser may file a claim for  
9 credit or refund with the Department. If it shall appear that  
10 an amount of tax or penalty or interest has been paid in error  
11 to the Department hereunder by a serviceman who is required or  
12 authorized to collect and remit the Service Use Tax, whether  
13 such amount be paid through a mistake of fact or an error of  
14 law, such serviceman may file a claim for credit or refund with  
15 the Department, provided that no credit shall be allowed or  
16 refund made for any amount paid by any such serviceman unless  
17 it shall appear that he bore the burden of such amount and did  
18 not shift the burden thereof to anyone else (as in the case of  
19 a duplicated tax payment which the serviceman made to the  
20 Department and did not collect from anyone else), or unless it  
21 shall appear that he or his legal representative has  
22 unconditionally repaid such amount to his vendee (1) who bore  
23 the burden thereof and has not shifted such burden directly or  
24 indirectly in any manner whatsoever; (2) who, if he has shifted  
25 such burden, has repaid unconditionally such amount to his own

1 vendee, and (3) who is not entitled to receive any  
2 reimbursement therefor from any other source than from his  
3 vendor, nor to be relieved of such burden in any other manner  
4 whatsoever. If it shall appear that an amount of tax has been  
5 paid in error hereunder by the purchaser to a serviceman, who  
6 retained such tax as reimbursement for his tax liability on the  
7 same sale of service under the Service Occupation Tax Act, and  
8 who paid such tax as required by the Service Occupation Tax  
9 Act, whether such amount be paid through a mistake of fact or  
10 an error of law, the procedure for recovering such tax shall be  
11 that prescribed in Sections 17, 18, 19 and 20 of the Service  
12 Occupation Tax Act.

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

16 Any claim filed hereunder shall be filed upon a form  
17 prescribed and furnished by the Department. The claim shall be  
18 signed by the claimant (or by the claimant's legal  
19 representative if the claimant shall have died or become a  
20 person under legal disability), or by a duly authorized agent  
21 of the claimant or his or her legal representative.

22 A claim for credit or refund shall be considered to have  
23 been filed with the Department on the date upon which it is  
24 received by the Department. Upon receipt of any claim for  
25 credit or refund filed under this Act, any officer or employee  
26 of the Department, authorized in writing by the Director of

1 Revenue to acknowledge receipt of such claims on behalf of the  
2 Department, shall execute on behalf of the Department, and  
3 shall deliver or mail to the claimant or his duly authorized  
4 agent, a written receipt, acknowledging that the claim has been  
5 filed with the Department, describing the claim in sufficient  
6 detail to identify it and stating the date upon which the claim  
7 was received by the Department. Such written receipt shall be  
8 prima facie evidence that the Department received the claim  
9 described in such receipt and shall be prima facie evidence of  
10 the date when such claim was received by the Department. In the  
11 absence of such a written receipt, the records of the  
12 Department as to when the claim was received by the Department,  
13 or as to whether or not the claim was received at all by the  
14 Department, shall be deemed to be prima facie correct upon  
15 these questions in the event of any dispute between the  
16 claimant (or his or her legal representative) and the  
17 Department concerning these questions.

18 In case the Department determines that the claimant is  
19 entitled to a refund, such refund shall be made only from the  
20 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
21 available for that purpose. If it appears unlikely that the  
22 amount available ~~appropriated~~ would permit everyone having a  
23 claim allowed ~~during the period covered by such appropriation~~  
24 to elect to receive a cash refund, the Department, by rule or  
25 regulation, shall provide for the payment of refunds in  
26 hardship cases and shall define what types of cases qualify as

1 hardship cases.

2 (Source: P.A. 87-205.)

3 Section 20. The Service Occupation Tax Act is amended by  
4 changing Sections 9 and 17 as follows:

5 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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

20 Where such tangible personal property is sold under a  
21 conditional sales contract, or under any other form of sale  
22 wherein the payment of the principal sum, or a part thereof, is  
23 extended beyond the close of the period for which the return is  
24 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 October 1, 2009, each month the Department shall  
18 pay into the Capital Projects Fund an amount that is equal to  
19 an amount estimated by the Department to represent 80% of the  
20 net revenue realized for the preceding month from the sale of  
21 candy, grooming and hygiene products, and soft drinks that had  
22 been taxed at a rate of 1% prior to September 1, 2009 but that  
23 are now taxed at 6.25%.

24           Beginning July 1, 2013, each month the Department shall pay  
25 into the Underground Storage Tank Fund from the proceeds  
26 collected under this Act, the Use Tax Act, the Service Use Tax

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

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 Section 3  
21 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax  
22 Act, Section 9 of the Service Use Tax Act, and Section 9 of the  
23 Service Occupation Tax Act, such Acts being hereinafter called  
24 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case  
25 may be, of moneys being hereinafter called the "Tax Act  
26 Amount", and (2) the amount transferred to the Build Illinois

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

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

26 Subject to payment of amounts into the Build Illinois Fund

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

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



1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	246,000,000
17	2022	260,000,000
18	2023	275,000,000
19	2024	275,000,000
20	2025	275,000,000
21	2026	279,000,000
22	2027	292,000,000
23	2028	307,000,000
24	2029	322,000,000
25	2030	338,000,000
26	2031	350,000,000

1                                   2032                                   350,000,000  
2                                   and  
3                                   each fiscal year  
4                                   thereafter that bonds  
5                                   are outstanding under  
6                                   Section 13.2 of the  
7                                   Metropolitan Pier and  
8                                   Exposition Authority Act,  
9                                   but not after fiscal year 2060.

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

23                   Beginning on July 1, 2015, subject to payment of amounts  
24                   into the Capital Projects Fund, the Build Illinois Fund, and  
25                   the McCormick Place Expansion Project Fund pursuant to the  
26                   preceding paragraphs or in any amendments thereto hereafter

1 enacted, the Department shall each month deposit into the Sales  
2 and Excise Tax Refund Fund 0.18% of 80% of the net revenue  
3 realized for the preceding month from the 6.25% general rate on  
4 the selling price of tangible personal property.

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

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

26 Subject to payment of amounts into the Build Illinois Fund,

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

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

26 The Department may, upon separate written notice to a

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

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

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

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

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

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

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

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

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

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

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

15 (Source: P.A. 98-24, eff. 6-19-13; 98-109, eff. 7-25-13;  
16 98-298, eff. 8-9-13; 98-496, eff. 1-1-14; 98-756, eff. 7-16-14;  
17 98-1098, eff. 8-26-14.)

18 (35 ILCS 115/17) (from Ch. 120, par. 439.117)

19 Sec. 17. If it shall appear that an amount of tax or  
20 penalty or interest has been paid in error hereunder directly  
21 to the Department by a serviceman, whether such amount be paid  
22 through a mistake of fact or an error of law, such serviceman  
23 may file a claim for credit or refund with the Department. If  
24 it shall appear that an amount of tax or penalty or interest  
25 has been paid in error to the Department hereunder by a

1 supplier who is required or authorized to collect and remit the  
2 Service Occupation Tax, whether such amount be paid through a  
3 mistake of fact or an error of law, such supplier may file a  
4 claim for credit or refund with the Department, provided that  
5 no credit shall be allowed nor any refund made for any amount  
6 paid by any such supplier unless it shall appear that he bore  
7 the burden of such amount and did not shift the burden thereof  
8 to anyone else (as in the case of a duplicated tax payment  
9 which the supplier made to the Department and did not collect  
10 from anyone else), or unless it shall appear that he or his  
11 legal representative has unconditionally repaid such amount to  
12 his vendee (1) who bore the burden thereof and has not shifted  
13 such burden directly or indirectly in any manner whatsoever;  
14 (2) who, if he has shifted such burden, has repaid  
15 unconditionally such amount to his own vendee, and (3) who is  
16 not entitled to receive any reimbursement therefor from any  
17 other source than from his supplier, nor to be relieved of such  
18 burden in any other manner whatsoever.

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

22 Any claim filed hereunder shall be filed upon a form  
23 prescribed and furnished by the Department. The claim shall be  
24 signed by the claimant (or by the claimant's legal  
25 representative if the claimant shall have died or become a  
26 person under legal disability), or by a duly authorized agent



1 of the claimant or his or her legal representative.

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

24 In case the Department determines that the claimant is  
25 entitled to a refund, such refund shall be made only from the  
26 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be

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

8 (Source: P.A. 87-205.)

9 Section 25. The Retailers' Occupation Tax Act is amended by  
10 changing Sections 3 and 6 as follows:

11 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

17 1. The name of the seller;

18 2. His residence address and the address of his  
19 principal place of business and the address of the  
20 principal place of business (if that is a different  
21 address) from which he engages in the business of selling  
22 tangible personal property at retail in this State;

23 3. Total amount of receipts received by him during the  
24 preceding calendar month or quarter, as the case may be,

1 from sales of tangible personal property, and from services  
2 furnished, by him during such preceding calendar month or  
3 quarter;

4 4. Total amount received by him during the preceding  
5 calendar month or quarter on charge and time sales of  
6 tangible personal property, and from services furnished,  
7 by him prior to the month or quarter for which the return  
8 is filed;

9 5. Deductions allowed by law;

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

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

15 8. The amount of tax due;

16 9. The signature of the taxpayer; and

17 10. Such other reasonable information as the  
18 Department may require.

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

23 Each return shall be accompanied by the statement of  
24 prepaid tax issued pursuant to Section 2e for which credit is  
25 claimed.

26 Prior to October 1, 2003, and on and after September 1,

1 2004 a retailer may accept a Manufacturer's Purchase Credit  
2 certification from a purchaser in satisfaction of Use Tax as  
3 provided in Section 3-85 of the Use Tax Act if the purchaser  
4 provides the appropriate documentation as required by Section  
5 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
6 certification, accepted by a retailer prior to October 1, 2003  
7 and on and after September 1, 2004 as provided in Section 3-85  
8 of the Use Tax Act, may be used by that retailer to satisfy  
9 Retailers' Occupation Tax liability in the amount claimed in  
10 the certification, not to exceed 6.25% of the receipts subject  
11 to tax from a qualifying purchase. A Manufacturer's Purchase  
12 Credit reported on any original or amended return filed under  
13 this Act after October 20, 2003 for reporting periods prior to  
14 September 1, 2004 shall be disallowed. Manufacturer's  
15 Purchaser Credit reported on annual returns due on or after  
16 January 1, 2005 will be disallowed for periods prior to  
17 September 1, 2004. No Manufacturer's Purchase Credit may be  
18 used after September 30, 2003 through August 31, 2004 to  
19 satisfy any tax liability imposed under this Act, including any  
20 audit liability.

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

1 the twentieth day of the following calendar month, stating:

2 1. The name of the seller;

3 2. The address of the principal place of business from  
4 which he engages in the business of selling tangible  
5 personal property at retail in this State;

6 3. The total amount of taxable receipts received by him  
7 during the preceding calendar month from sales of tangible  
8 personal property by him during such preceding calendar  
9 month, including receipts from charge and time sales, but  
10 less all deductions allowed by law;

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

13 5. The amount of tax due; and

14 6. Such other reasonable information as the Department  
15 may require.

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

1 of this paragraph. For the purposes of this paragraph, the term  
2 "alcoholic liquor" shall have the meaning prescribed in the  
3 Liquor Control Act of 1934.

4 Beginning on October 1, 2003, every distributor, importing  
5 distributor, and manufacturer of alcoholic liquor as defined in  
6 the Liquor Control Act of 1934, shall file a statement with the  
7 Department of Revenue, no later than the 10th day of the month  
8 for the preceding month during which transactions occurred, by  
9 electronic means, showing the total amount of gross receipts  
10 from the sale of alcoholic liquor sold or distributed during  
11 the preceding month to purchasers; identifying the purchaser to  
12 whom it was sold or distributed; the purchaser's tax  
13 registration number; and such other information reasonably  
14 required by the Department. A distributor, importing  
15 distributor, or manufacturer of alcoholic liquor must  
16 personally deliver, mail, or provide by electronic means to  
17 each retailer listed on the monthly statement a report  
18 containing a cumulative total of that distributor's, importing  
19 distributor's, or manufacturer's total sales of alcoholic  
20 liquor to that retailer no later than the 10th day of the month  
21 for the preceding month during which the transaction occurred.  
22 The distributor, importing distributor, or manufacturer shall  
23 notify the retailer as to the method by which the distributor,  
24 importing distributor, or manufacturer will provide the sales  
25 information. If the retailer is unable to receive the sales  
26 information by electronic means, the distributor, importing

1 distributor, or manufacturer shall furnish the sales  
2 information by personal delivery or by mail. For purposes of  
3 this paragraph, the term "electronic means" includes, but is  
4 not limited to, the use of a secure Internet website, e-mail,  
5 or facsimile.

6 If a total amount of less than \$1 is payable, refundable or  
7 creditable, such amount shall be disregarded if it is less than  
8 50 cents and shall be increased to \$1 if it is 50 cents or more.

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

1 State and local occupation and use tax laws administered by the  
2 Department, for the immediately preceding calendar year  
3 divided by 12. Beginning on October 1, 2002, a taxpayer who has  
4 a tax liability in the amount set forth in subsection (b) of  
5 Section 2505-210 of the Department of Revenue Law shall make  
6 all payments required by rules of the Department by electronic  
7 funds transfer.

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

13 Any taxpayer not required to make payments by electronic  
14 funds transfer may make payments by electronic funds transfer  
15 with the permission of the Department.

16 All taxpayers required to make payment by electronic funds  
17 transfer and any taxpayers authorized to voluntarily make  
18 payments by electronic funds transfer shall make those payments  
19 in the manner authorized by the Department.

20 The Department shall adopt such rules as are necessary to  
21 effectuate a program of electronic funds transfer and the  
22 requirements of this Section.

23 Any amount which is required to be shown or reported on any  
24 return or other document under this Act shall, if such amount  
25 is not a whole-dollar amount, be increased to the nearest  
26 whole-dollar amount in any case where the fractional part of a



1 dollar is 50 cents or more, and decreased to the nearest  
2 whole-dollar amount where the fractional part of a dollar is  
3 less than 50 cents.

4 If the retailer is otherwise required to file a monthly  
5 return and if the retailer'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 retailer is otherwise required to file a monthly or  
16 quarterly return and if the retailer's average monthly tax  
17 liability with the Department does not exceed \$50, the  
18 Department may authorize his returns to be filed on an annual  
19 basis, with the return for a given year being due by January 20  
20 of the 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 retailer may file his return, in the  
26 case of any retailer who ceases to engage in a kind of business

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

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

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

1 transaction to the Department on the same uniform  
2 invoice-transaction reporting return form. For purposes of  
3 this Section, "watercraft" means a Class 2, Class 3, or Class 4  
4 watercraft as defined in Section 3-2 of the Boat Registration  
5 and Safety Act, a personal watercraft, or any boat equipped  
6 with an inboard motor.

7 Any retailer who sells only motor vehicles, watercraft,  
8 aircraft, or trailers that are required to be registered with  
9 an agency of this State, so that all retailers' occupation tax  
10 liability is required to be reported, and is reported, on such  
11 transaction reporting returns and who is not otherwise required  
12 to file monthly or quarterly returns, need not file monthly or  
13 quarterly returns. However, those retailers shall be required  
14 to file returns on an annual basis.

15 The transaction reporting return, in the case of motor  
16 vehicles or trailers that are required to be registered with an  
17 agency of this State, shall be the same document as the Uniform  
18 Invoice referred to in Section 5-402 of The Illinois Vehicle  
19 Code and must show the name and address of the seller; the name  
20 and address of the purchaser; the amount of the selling price  
21 including the amount allowed by the retailer for traded-in  
22 property, if any; the amount allowed by the retailer for the  
23 traded-in tangible personal property, if any, to the extent to  
24 which Section 1 of this Act allows an exemption for the value  
25 of traded-in property; the balance payable after deducting such  
26 trade-in allowance from the total selling price; the amount of

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

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

26 Such transaction reporting return shall be filed not later

1 than 20 days after the day of delivery of the item that is  
2 being sold, but may be filed by the retailer at any time sooner  
3 than that if he chooses to do so. The transaction reporting  
4 return and tax remittance or proof of exemption from the  
5 Illinois use tax may be transmitted to the Department by way of  
6 the State agency with which, or State officer with whom the  
7 tangible personal property must be titled or registered (if  
8 titling or registration is required) if the Department and such  
9 agency or State officer determine that this procedure will  
10 expedite the processing of applications for title or  
11 registration.

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

25 No retailer's failure or refusal to remit tax under this  
26 Act precludes a user, who has paid the proper tax to the

1 retailer, from obtaining his certificate of title or other  
2 evidence of title or registration (if titling or registration  
3 is required) upon satisfying the Department that such user has  
4 paid the proper tax (if tax is due) to the retailer. The  
5 Department shall adopt appropriate rules to carry out the  
6 mandate of this paragraph.

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

25 Refunds made by the seller during the preceding return  
26 period to purchasers, on account of tangible personal property

1 returned to the seller, shall be allowed as a deduction under  
2 subdivision 5 of his monthly or quarterly return, as the case  
3 may be, in case the seller had theretofore included the  
4 receipts from the sale of such tangible personal property in a  
5 return filed by him and had paid the tax imposed by this Act  
6 with respect to such receipts.

7 Where the seller is a corporation, the return filed on  
8 behalf of such corporation shall be signed by the president,  
9 vice-president, secretary or treasurer or by the properly  
10 accredited agent of such corporation.

11 Where the seller is a limited liability company, the return  
12 filed on behalf of the limited liability company shall be  
13 signed by a manager, member, or properly accredited agent of  
14 the limited liability company.

15 Except as provided in this Section, the retailer filing the  
16 return under this Section shall, at the time of filing such  
17 return, pay to the Department the amount of tax imposed by this  
18 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%  
19 on and after January 1, 1990, or \$5 per calendar year,  
20 whichever is greater, which is allowed to reimburse the  
21 retailer for the expenses incurred in keeping records,  
22 preparing and filing returns, remitting the tax and supplying  
23 data to the Department on request. Any prepayment made pursuant  
24 to Section 2d of this Act shall be included in the amount on  
25 which such 2.1% or 1.75% discount is computed. In the case of  
26 retailers who report and pay the tax on a transaction by

1 transaction basis, as provided in this Section, such discount  
2 shall be taken with each such tax remittance instead of when  
3 such retailer files his periodic return. The Department may  
4 disallow the discount for retailers whose certificate of  
5 registration is revoked at the time the return is filed, but  
6 only if the Department's decision to revoke the certificate of  
7 registration has become final.

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



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

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

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

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

5 The provisions of this paragraph apply before October 1,  
6 2001. Without regard to whether a taxpayer is required to make  
7 quarter monthly payments as specified above, any taxpayer who  
8 is required by Section 2d of this Act to collect and remit  
9 prepaid taxes and has collected prepaid taxes which average in  
10 excess of \$25,000 per month during the preceding 2 complete  
11 calendar quarters, shall file a return with the Department as  
12 required by Section 2f and shall make payments to the  
13 Department on or before the 7th, 15th, 22nd and last day of the  
14 month during which such liability is incurred. If the month  
15 during which such tax liability is incurred began prior to the  
16 effective date of this amendatory Act of 1985, each payment  
17 shall be in an amount not less than 22.5% of the taxpayer's  
18 actual liability under Section 2d. If the month during which  
19 such tax liability is incurred begins on or after January 1,  
20 1986, each payment shall be in an amount equal to 22.5% of the  
21 taxpayer's actual liability for the month or 27.5% of the  
22 taxpayer's liability for the same calendar month of the  
23 preceding calendar year. If the month during which such tax  
24 liability is incurred begins on or after January 1, 1987, each  
25 payment shall be in an amount equal to 22.5% of the taxpayer's  
26 actual liability for the month or 26.25% of the taxpayer's

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

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

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

19 If any payment provided for in this Section exceeds the  
20 taxpayer's liabilities under this Act, the Use Tax Act, the  
21 Service Occupation Tax Act and the Service Use Tax Act, as  
22 shown on an original monthly return, the Department shall, if  
23 requested by the taxpayer, issue to the taxpayer a credit  
24 memorandum no later than 30 days after the date of payment. The  
25 credit evidenced by such credit memorandum may be assigned by  
26 the taxpayer to a similar taxpayer under this Act, the Use Tax

1 Act, the Service Occupation Tax Act or the Service Use Tax Act,  
2 in accordance with reasonable rules and regulations to be  
3 prescribed by the Department. If no such request is made, the  
4 taxpayer may credit such excess payment against tax liability  
5 subsequently to be remitted to the Department under this Act,  
6 the Use Tax Act, the Service Occupation Tax Act or the Service  
7 Use Tax Act, in accordance with reasonable rules and  
8 regulations prescribed by the Department. If the Department  
9 subsequently determined that all or any part of the credit  
10 taken was not actually due to the taxpayer, the taxpayer's 2.1%  
11 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%  
12 of the difference between the credit taken and that actually  
13 due, and that taxpayer shall be liable for penalties and  
14 interest on such difference.

15 If a retailer of motor fuel is entitled to a credit under  
16 Section 2d of this Act which exceeds the taxpayer's liability  
17 to the Department under this Act for the month which the  
18 taxpayer is filing a return, the Department shall issue the  
19 taxpayer a credit memorandum for the excess.

20 Beginning January 1, 1990, each month the Department shall  
21 pay into the Local Government Tax Fund, a special fund in the  
22 State treasury which is hereby created, the net revenue  
23 realized for the preceding month from the 1% tax on sales of  
24 food for human consumption which is to be consumed off the  
25 premises where it is sold (other than alcoholic beverages, soft  
26 drinks and food which has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,  
2 drugs, medical appliances and insulin, urine testing  
3 materials, syringes and needles used by diabetics.

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

9 Beginning August 1, 2000, each month the Department shall  
10 pay into the County and Mass Transit District Fund 20% of the  
11 net revenue realized for the preceding month from the 1.25%  
12 rate on the selling price of motor fuel and gasohol. Beginning  
13 September 1, 2010, each month the Department shall pay into the  
14 County and Mass Transit District Fund 20% of the net revenue  
15 realized for the preceding month from the 1.25% rate on the  
16 selling price of sales tax holiday items.

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

21 Beginning August 1, 2000, each month the Department shall  
22 pay into the Local Government Tax Fund 80% of the net revenue  
23 realized for the preceding month from the 1.25% rate on the  
24 selling price of motor fuel and gasohol. Beginning September 1,  
25 2010, each month the Department shall pay into the Local  
26 Government Tax Fund 80% of the net revenue realized for the



1 preceding month from the 1.25% rate on the selling price of  
2 sales tax holiday items.

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

19 Beginning July 1, 2013, each month the Department shall pay  
20 into the Underground Storage Tank Fund from the proceeds  
21 collected under this Act, the Use Tax Act, the Service Use Tax  
22 Act, and the Service Occupation Tax Act an amount equal to the  
23 average monthly deficit in the Underground Storage Tank Fund  
24 during the prior year, as certified annually by the Illinois  
25 Environmental Protection Agency, but the total payment into the  
26 Underground Storage Tank Fund under this Act, the Use Tax Act,

1 the Service Use Tax Act, and the Service Occupation Tax Act  
2 shall not exceed \$18,000,000 in any State fiscal year. As used  
3 in this paragraph, the "average monthly deficit" shall be equal  
4 to the difference between the average monthly claims for  
5 payment by the fund and the average monthly revenues deposited  
6 into the fund, excluding payments made pursuant to this  
7 paragraph.

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

1 fiscal years 1986 through 1993:

2	Fiscal Year	Annual Specified Amount
3	1986	\$54,800,000
4	1987	\$76,650,000
5	1988	\$80,480,000
6	1989	\$88,510,000
7	1990	\$115,330,000
8	1991	\$145,470,000
9	1992	\$182,730,000
10	1993	\$206,520,000;

11 and means the Certified Annual Debt Service Requirement (as  
12 defined in Section 13 of the Build Illinois Bond Act) or the  
13 Tax Act Amount, whichever is greater, for fiscal year 1994 and  
14 each fiscal year thereafter; and further provided, that if on  
15 the last business day of any month the sum of (1) the Tax Act  
16 Amount required to be deposited into the Build Illinois Bond  
17 Account in the Build Illinois Fund during such month and (2)  
18 the amount transferred to the Build Illinois Fund from the  
19 State and Local Sales Tax Reform Fund shall have been less than  
20 1/12 of the Annual Specified Amount, an amount equal to the  
21 difference shall be immediately paid into the Build Illinois  
22 Fund from other moneys received by the Department pursuant to  
23 the Tax Acts; and, further provided, that in no event shall the  
24 payments required under the preceding proviso result in  
25 aggregate payments into the Build Illinois Fund pursuant to  
26 this clause (b) for any fiscal year in excess of the greater of

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

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

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

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

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

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

10 and

11 each fiscal year

12 thereafter that bonds

13 are outstanding under

14 Section 13.2 of the

15 Metropolitan Pier and

16 Exposition Authority Act,

17 but not after fiscal year 2060.

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

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

5 Beginning on July 1, 2015, subject to payment of amounts  
6 into the Capital Projects Fund, the Clean Air Act (CAA) Permit  
7 Fund, the Build Illinois Fund, and the McCormick Place  
8 Expansion Project Fund pursuant to the preceding paragraphs or  
9 in any amendments thereto hereafter enacted, the Department  
10 shall each month deposit into the Sales and Excise Tax Refund  
11 Fund 0.18% of 80% of the net revenue realized for the preceding  
12 month from the 6.25% general rate on the selling price of  
13 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 July 1, 1993 and ending on September 30,  
18 2013, the Department shall each month pay into the Illinois Tax  
19 Increment Fund 0.27% of 80% of the net revenue realized for the  
20 preceding month from the 6.25% general rate on the selling  
21 price of tangible personal property.

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



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

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

1 and use taxes administered by the Department.

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

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

1 reasonable information which the Department deems would be  
2 helpful in determining the accuracy of the monthly, quarterly  
3 or annual returns filed by such retailer as provided for in  
4 this Section.

5 If the annual information return required by this Section  
6 is not filed when and as required, the taxpayer shall be liable  
7 as follows:

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

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

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

26 The provisions of this Section concerning the filing of an

1 annual information return do not apply to a retailer who is not  
2 required to file an income tax return with the United States  
3 Government.

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

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

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

22 Any person who promotes, organizes, provides retail  
23 selling space for concessionaires or other types of sellers at  
24 the Illinois State Fair, DuQuoin State Fair, county fairs,  
25 local fairs, art shows, flea markets and similar exhibitions or  
26 events, including any transient merchant as defined by Section

1 2 of the Transient Merchant Act of 1987, is required to file a  
2 report with the Department providing the name of the merchant's  
3 business, the name of the person or persons engaged in  
4 merchant's business, the permanent address and Illinois  
5 Retailers Occupation Tax Registration Number of the merchant,  
6 the dates and location of the event and other reasonable  
7 information that the Department may require. The report must be  
8 filed not later than the 20th day of the month next following  
9 the month during which the event with retail sales was held.  
10 Any person who fails to file a report required by this Section  
11 commits a business offense and is subject to a fine not to  
12 exceed \$250.

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

1 exhibition or event, or other evidence of a significant risk of  
2 loss of revenue to the State. The Department shall notify  
3 concessionaires and other sellers affected by the imposition of  
4 this requirement. In the absence of notification by the  
5 Department, the concessionaires and other sellers shall file  
6 their returns as otherwise required in this Section.

7 (Source: P.A. 97-95, eff. 7-12-11; 97-333, eff. 8-12-11; 98-24,  
8 eff. 6-19-13; 98-109, eff. 7-25-13; 98-496, eff. 1-1-14;  
9 98-756, eff. 7-16-14; 98-1098, eff. 8-26-14.)

10 (35 ILCS 120/6) (from Ch. 120, par. 445)

11 Sec. 6. Credit memorandum or refund. If it appears, after  
12 claim therefor filed with the Department, that an amount of tax  
13 or penalty or interest has been paid which was not due under  
14 this Act, whether as the result of a mistake of fact or an  
15 error of law, except as hereinafter provided, then the  
16 Department shall issue a credit memorandum or refund to the  
17 person who made the erroneous payment or, if that person died  
18 or became a person under legal disability, to his or her legal  
19 representative, as such. For purposes of this Section, the tax  
20 is deemed to be erroneously paid by a retailer when the  
21 manufacturer of a motor vehicle sold by the retailer accepts  
22 the return of that automobile and refunds to the purchaser the  
23 selling price of that vehicle as provided in the New Vehicle  
24 Buyer Protection Act. When a motor vehicle is returned for a  
25 refund of the purchase price under the New Vehicle Buyer

1 Protection Act, the Department shall issue a credit memorandum  
2 or a refund for the amount of tax paid by the retailer under  
3 this Act attributable to the initial sale of that vehicle.  
4 Claims submitted by the retailer are subject to the same  
5 restrictions and procedures provided for in this Act. If it is  
6 determined that the Department should issue a credit memorandum  
7 or refund, the Department may first apply the amount thereof  
8 against any tax or penalty or interest due or to become due  
9 under this Act or under the Use Tax Act, the Service Occupation  
10 Tax Act, the Service Use Tax Act, any local occupation or use  
11 tax administered by the Department, Section 4 of the Water  
12 Commission Act of 1985, subsections (b), (c) and (d) of Section  
13 5.01 of the Local Mass Transit District Act, or subsections  
14 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
15 Authority Act, from the person who made the erroneous payment.  
16 If no tax or penalty or interest is due and no proceeding is  
17 pending to determine whether such person is indebted to the  
18 Department for tax or penalty or interest, the credit  
19 memorandum or refund shall be issued to the claimant; or (in  
20 the case of a credit memorandum) the credit memorandum may be  
21 assigned and set over by the lawful holder thereof, subject to  
22 reasonable rules of the Department, to any other person who is  
23 subject to this Act, the Use Tax Act, the Service Occupation  
24 Tax Act, the Service Use Tax Act, any local occupation or use  
25 tax administered by the Department, Section 4 of the Water  
26 Commission Act of 1985, subsections (b), (c) and (d) of Section

1 5.01 of the Local Mass Transit District Act, or subsections  
2 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
3 Authority Act, and the amount thereof applied by the Department  
4 against any tax or penalty or interest due or to become due  
5 under this Act or under the Use Tax Act, the Service Occupation  
6 Tax Act, the Service Use Tax Act, any local occupation or use  
7 tax administered by the Department, Section 4 of the Water  
8 Commission Act of 1985, subsections (b), (c) and (d) of Section  
9 5.01 of the Local Mass Transit District Act, or subsections  
10 (e), (f) and (g) of Section 4.03 of the Regional Transportation  
11 Authority Act, from such assignee. However, as to any claim for  
12 credit or refund filed with the Department on and after each  
13 January 1 and July 1 no amount of tax or penalty or interest  
14 erroneously paid (either in total or partial liquidation of a  
15 tax or penalty or amount of interest under this Act) more than  
16 3 years prior to such January 1 and July 1, respectively, shall  
17 be credited or refunded, except that if both the Department and  
18 the taxpayer have agreed to an extension of time to issue a  
19 notice of tax liability as provided in Section 4 of this Act,  
20 such claim may be filed at any time prior to the expiration of  
21 the period agreed upon.

22 No claim may be allowed for any amount paid to the  
23 Department, whether paid voluntarily or involuntarily, if paid  
24 in total or partial liquidation of an assessment which had  
25 become final before the claim for credit or refund to recover  
26 the amount so paid is filed with the Department, or if paid in



1 total or partial liquidation of a judgment or order of court.  
2 No credit may be allowed or refund made for any amount paid by  
3 or collected from any claimant unless it appears (a) that the  
4 claimant bore the burden of such amount and has not been  
5 relieved thereof nor reimbursed therefor and has not shifted  
6 such burden directly or indirectly through inclusion of such  
7 amount in the price of the tangible personal property sold by  
8 him or her or in any manner whatsoever; and that no  
9 understanding or agreement, written or oral, exists whereby he  
10 or she or his or her legal representative may be relieved of  
11 the burden of such amount, be reimbursed therefor or may shift  
12 the burden thereof; or (b) that he or she or his or her legal  
13 representative has repaid unconditionally such amount to his or  
14 her vendee (1) who bore the burden thereof and has not shifted  
15 such burden directly or indirectly, in any manner whatsoever;  
16 (2) who, if he or she has shifted such burden, has repaid  
17 unconditionally such amount to his own vendee; and (3) who is  
18 not entitled to receive any reimbursement therefor from any  
19 other source than from his or her vendor, nor to be relieved of  
20 such burden in any manner whatsoever. No credit may be allowed  
21 or refund made for any amount paid by or collected from any  
22 claimant unless it appears that the claimant has  
23 unconditionally repaid, to the purchaser, any amount collected  
24 from the purchaser and retained by the claimant with respect to  
25 the same transaction under the Use Tax Act.

26 Any credit or refund that is allowed under this Section

1 shall bear interest at the rate and in the manner specified in  
2 the Uniform Penalty and Interest Act.

3 In case the Department determines that the claimant is  
4 entitled to a refund, such refund shall be made only from the  
5 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
6 available for that purpose. If it appears unlikely that the  
7 amount available ~~appropriated~~ would permit everyone having a  
8 claim allowed ~~during the period covered by such appropriation~~  
9 to elect to receive a cash refund, the Department, by rule or  
10 regulation, shall provide for the payment of refunds in  
11 hardship cases and shall define what types of cases qualify as  
12 hardship cases.

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

1 with respect thereto with the Department. The provisions of  
2 this amendatory Act shall be applied retroactively, regardless  
3 of the date of the transaction.

4 (Source: P.A. 91-901, eff. 1-1-01.)

5 Section 30. The Cigarette Machine Operators' Occupation  
6 Tax Act is amended by changing Section 1-55 as follows:

7 (35 ILCS 128/1-55)

8 Sec. 1-55. Claims; credit memorandum or refunds. If it  
9 appears, after claim is filed with the Department, that an  
10 amount of tax or penalty has been paid which was not due under  
11 this Act, whether as the result of a mistake of fact or an  
12 error of law, except as hereinafter provided, then the  
13 Department shall issue a credit memorandum or refund to the  
14 person who made the erroneous payment or, if that person has  
15 died or become a person under legal disability, to his or her  
16 legal representative.

17 If it is determined that the Department should issue a  
18 credit or refund under this Act, the Department may first apply  
19 the amount thereof against any amount of tax or penalty due  
20 under this Act, the Cigarette Tax Act, the Cigarette Use Tax  
21 Act, or the Tobacco Products Act of 1995 from the person  
22 entitled to that credit or refund. For this purpose, if  
23 proceedings are pending to determine whether or not any tax or  
24 penalty is due under this Act or under the Cigarette Tax Act,

1 Cigarette Use Tax Act, or the Tobacco Products Act of 1995 from  
2 the person, the Department may withhold issuance of the credit  
3 or refund pending the final disposition of such proceedings and  
4 may apply such credit or refund against any amount found to be  
5 due to the Department under this Act, the Cigarette Tax Act,  
6 the Cigarette Use Tax Act, or the Tobacco Products Act of 1995  
7 as a result of such proceedings. The balance, if any, of the  
8 credit or refund shall be issued to the person entitled  
9 thereto.

10 If no tax or penalty is due and no proceeding is pending to  
11 determine whether such taxpayer is indebted to the Department  
12 for the payment of a tax or penalty, the credit memorandum or  
13 refund shall be issued to the claimant; or (in the case of a  
14 credit memorandum) the credit memorandum may be assigned and  
15 set over by the lawful holder thereof, subject to reasonable  
16 rules of the Department, to any other person who is subject to  
17 this Act, the Cigarette Tax Act, the Cigarette Use Tax Act, or  
18 the Tobacco Products Act of 1995, and the amount thereof shall  
19 be applied by the Department against any tax or penalty due or  
20 to become due under this Act, the Cigarette Tax Act, the  
21 Cigarette Use Tax Act, or the Tobacco Products Act of 1995 from  
22 such assignee.

23 As to any claim filed hereunder with the Department on and  
24 after each January 1 and July 1, no amount of tax or penalty  
25 erroneously paid (either in total or partial liquidation of a  
26 tax or penalty under this Act) more than 3 years prior to such

1 January 1 and July 1, respectively, shall be credited or  
2 refunded, except that, if both the Department and the taxpayer  
3 have agreed to an extension of time to issue a notice of tax  
4 liability under this Act, the claim may be filed at any time  
5 prior to the expiration of the period agreed upon.

6 Any credit or refund that is allowed under this Act shall  
7 bear interest at the rate and in the manner set forth in the  
8 Uniform Penalty and Interest Act.

9 In case the Department determines that the claimant is  
10 entitled to a refund, such refund shall be made only from the  
11 Sales and Excise Tax Refund Fund as may be ~~appropriations~~  
12 available for that purpose. If it appears unlikely that the  
13 amount available ~~appropriated~~ would permit everyone having a  
14 claim allowed ~~during the period covered by such appropriation~~  
15 to elect to receive a cash refund, the Department, by rule or  
16 regulation, shall provide for the payment of refunds in  
17 hardship cases and shall define what types of cases qualify as  
18 hardship cases.

19 The provisions of Sections 6a, 6b, and 6c of the Retailers'  
20 Occupation Tax Act which are not inconsistent with this Act  
21 shall apply, as far as practicable, to the subject matter of  
22 this Act to the same extent as if such provisions were included  
23 herein.

24 (Source: P.A. 97-688, eff. 6-14-12.)

25 Section 35. The Cigarette Tax Act is amended by changing

1 Section 9d as follows:

2 (35 ILCS 130/9d) (from Ch. 120, par. 453.9d)

3 Sec. 9d. If it appears, after claim therefor filed with the  
4 Department, that an amount of tax or penalty has been paid  
5 which was not due under this Act, whether as the result of a  
6 mistake of fact or an error of law, except as hereinafter  
7 provided, then the Department shall issue a credit memorandum  
8 or refund to the person who made the erroneous payment or, if  
9 that person has died or become a person under legal disability,  
10 to his or her legal representative, as such.

11 If it is determined that the Department should issue a  
12 credit or refund under this Act, the Department may first apply  
13 the amount thereof against any amount of tax or penalty due  
14 under this Act or under the Cigarette Use Tax Act from the  
15 person entitled to such credit or refund. For this purpose, if  
16 proceedings are pending to determine whether or not any tax or  
17 penalty is due under this Act or under the Cigarette Use Tax  
18 Act from such person, the Department may withhold issuance of  
19 the credit or refund pending the final disposition of such  
20 proceedings and may apply such credit or refund against any  
21 amount found to be due to the Department under this Act or  
22 under the Cigarette Use Tax Act as a result of such  
23 proceedings. The balance, if any, of the credit or refund shall  
24 be issued to the person entitled thereto.

25 If no tax or penalty is due and no proceeding is pending to

1 determine whether such taxpayer is indebted to the Department  
2 for tax or penalty, the credit memorandum or refund shall be  
3 issued to the claimant; or (in the case of a credit memorandum)  
4 the credit memorandum may be assigned and set over by the  
5 lawful holder thereof, subject to reasonable rules of the  
6 Department, to any other person who is subject to this Act or  
7 the Cigarette Use Tax Act, and the amount thereof shall be  
8 applied by the Department against any tax or penalty due or to  
9 become due under this Act or under the Cigarette Use Tax Act  
10 from such assignee.

11 As to any claim filed hereunder with the Department on and  
12 after each January 1 and July 1, no amount of tax or penalty  
13 erroneously paid (either in total or partial liquidation of a  
14 tax or penalty under this Act) more than 3 years prior to such  
15 January 1 and July 1, respectively, shall be credited or  
16 refunded, except that if both the Department and the taxpayer  
17 have agreed to an extension of time to issue a notice of tax  
18 liability under this Act, the claim may be filed at any time  
19 prior to the expiration of the period agreed upon.

20 If the Department approves a claim for stamps affixed to a  
21 product returned to a manufacturer or for replacement of  
22 stamps, the credit memorandum shall not exceed the face value  
23 of stamps originally affixed, and replacement stamps shall be  
24 issued only in an amount equal to the value of the stamps  
25 previously affixed. Higher denomination stamps shall not be  
26 issued as replacements for lower value stamps. Distributors

1 must prove the face value of the stamps which have been  
2 destroyed or returned to manufacturers when filing claims.

3 Any credit or refund that is allowed under this Act shall  
4 bear interest at the rate and in the manner set forth in the  
5 Uniform Penalty and Interest Act.

6 In case the Department determines that the claimant is  
7 entitled to a refund, such refund shall be made only from the  
8 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
9 available for that purpose. If it appears unlikely that the  
10 amount available ~~appropriated~~ would permit everyone having a  
11 claim allowed ~~during the period covered by such appropriation~~  
12 to elect to receive a cash refund, the Department, by rule or  
13 regulation, shall provide for the payment of refunds in  
14 hardship cases and shall define what types of cases qualify as  
15 hardship cases.

16 If the Department approves a claim for the physical  
17 replacement of cigarette tax stamps, the Department (subject to  
18 the same limitations as those provided for hereinbefore in this  
19 Section) may issue an assignable credit memorandum or refund to  
20 the claimant or to the claimant's legal representative.

21 The provisions of Sections 6a, 6b and 6c of the Retailers'  
22 Occupation Tax Act which are not inconsistent with this Act,  
23 shall apply, as far as practicable, to the subject matter of  
24 this Act to the same extent as if such provisions were included  
25 herein.

26 (Source: P.A. 90-491, eff. 1-1-98.)



1           Section 40. The Cigarette Use Tax Act is amended by  
2 changing Section 14a as follows:

3           (35 ILCS 135/14a) (from Ch. 120, par. 453.44a)

4           Sec. 14a. If it appears, after claim therefor filed with  
5 the Department, that an amount of tax or penalty has been paid  
6 which was not due under this Act, whether as the result of a  
7 mistake of fact or an error of law, except as hereinafter  
8 provided, then the Department shall issue a credit memorandum  
9 or refund to the person who made the erroneous payment or, if  
10 that person has died or become a person under legal disability,  
11 to his or her legal representative, as such.

12           If it is determined that the Department should issue a  
13 credit or refund under this Act, the Department may first apply  
14 the amount thereof against any amount of tax or penalty due  
15 under this Act or under the Cigarette Tax Act from the person  
16 entitled to such credit or refund. For this purpose, if  
17 proceedings are pending to determine whether or not any tax or  
18 penalty is due under this Act or under the Cigarette Tax Act  
19 from such person, the Department may withhold issuance of the  
20 credit or refund pending the final disposition of such  
21 proceedings and may apply such credit or refund against any  
22 amount found to be due to the Department under this Act or  
23 under the Cigarette Tax Act as a result of such proceedings.  
24 The balance, if any, of the credit or refund shall be issued to

1 the person entitled thereto.

2 If no tax or penalty is due and no proceeding is pending to  
3 determine whether such taxpayer is indebted to the Department  
4 for tax or penalty, the credit memorandum or refund shall be  
5 issued to the claimant; or (in the case of a credit memorandum)  
6 may be assigned and set over by the lawful holder thereof,  
7 subject to reasonable rules of the Department, to any other  
8 person who is subject to this Act or the Cigarette Tax Act, and  
9 the amount thereof shall be applied by the Department against  
10 any tax or penalty due or to become due under this Act or under  
11 the Cigarette Tax Act from such assignee.

12 As to any claim filed hereunder with the Department on and  
13 after each January 1 and July 1, no amount of tax or penalty  
14 erroneously paid (either in total or partial liquidation of a  
15 tax or penalty under this Act) more than 3 years prior to such  
16 January 1 and July 1, respectively, shall be credited or  
17 refunded, except that if both the Department and the taxpayer  
18 have agreed to an extension of time to issue a notice of tax  
19 liability under this Act, the claim may be filed at any time  
20 prior to the expiration of the period agreed upon.

21 In case the Department determines that the claimant is  
22 entitled to a refund, such refund shall be made only from the  
23 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
24 available for that purpose. If it appears unlikely that the  
25 amount available ~~appropriated~~ would permit everyone having a  
26 claim allowed ~~during the period covered by such appropriation~~

1 to elect to receive a cash refund, the Department, by rule or  
2 regulation, shall provide for the payment of refunds in  
3 hardship cases and shall define what types of cases qualify as  
4 hardship cases.

5 If the Department approves a claim for the physical  
6 replacement of cigarette tax stamps, the Department (subject to  
7 the same limitations as those provided for hereinbefore in this  
8 Section) may issue an assignable credit memorandum or refund to  
9 the claimant or to the claimant's legal representative.

10 Any credit or refund that is allowed under this Act shall  
11 bear interest at the rate and in the manner set forth in the  
12 Uniform Penalty and Interest Act.

13 The provisions of Sections 6a, 6b and 6c of the "Retailers'  
14 Occupation Tax Act", approved June 28, 1933, as amended, in  
15 effect on the effective date of this amendatory Act, as  
16 subsequently amended, which are not inconsistent with this Act,  
17 shall apply, as far as practicable, to the subject matter of  
18 this Act to the same extent as if such provisions were included  
19 herein.

20 (Source: P.A. 90-491, eff. 1-1-98.)

21 Section 45. The Coin-Operated Amusement Device and  
22 Redemption Machine Tax Act is amended by changing Section 2 as  
23 follows:

24 (35 ILCS 510/2) (from Ch. 120, par. 481b.2)

1           Sec. 2. (a) Any person, firm, limited liability company, or  
2 corporation which displays any device described in Section 1,  
3 to be played or operated by the public at any place owned or  
4 leased by any such person, firm, limited liability company, or  
5 corporation, shall before he displays such device, file in the  
6 Office of the Department of Revenue a form containing  
7 information regarding such device, setting forth his name and  
8 address, with a brief description of the device to be displayed  
9 and the premises where such device will be located, together  
10 with such other relevant data as the Department of Revenue may  
11 require. Such form shall be accompanied by the required  
12 privilege tax for each device. Such privilege tax shall be paid  
13 to the Department of Revenue of the State of Illinois and all  
14 monies received by the Department of Revenue under this Act  
15 shall be paid into the General Revenue Fund in the State  
16 Treasury. The Department of Revenue shall supply and deliver to  
17 the person, firm, limited liability company, or corporation  
18 which displays any device described in Section 1, charges  
19 prepaid and without additional cost, one privilege tax decal  
20 for each such device on which the tax has been paid, stating  
21 the year for which issued. Such privilege tax decal shall  
22 thereupon be securely affixed to such device.

23           (b) If an amount of tax, penalty, or interest has been paid  
24 in error to the Department, the taxpayer may file a claim for  
25 credit or refund with the Department. If it is determined that  
26 the Department must issue a credit or refund under this Act,

1 the Department may first apply the amount of the credit or  
2 refund due against any amount of tax, penalty, or interest due  
3 under this Act from the taxpayer entitled to the credit or  
4 refund. If proceedings are pending to determine if any tax,  
5 penalty, or interest is due under this Act from the taxpayer,  
6 the Department may withhold issuance of the credit or refund  
7 pending the final disposition of those proceedings and may  
8 apply that credit or refund against any amount determined to be  
9 due to the Department as a result of those proceedings. The  
10 balance, if any, of the credit or refund shall be paid to the  
11 taxpayer.

12 If no tax, penalty, or interest is due and no proceedings  
13 are pending to determine whether the taxpayer is indebted to  
14 the Department for tax, penalty, or interest, the credit  
15 memorandum or refund shall be issued to the taxpayer; or, the  
16 credit memorandum may be assigned by the taxpayer, subject to  
17 reasonable rules of the Department, to any other person who is  
18 subject to this Act, and the amount of the credit memorandum by  
19 the Department against any tax, penalty, or interest due or to  
20 become due under this Act from the assignee.

21 For any claim for credit or refund filed with the  
22 Department on or after each July 1, no amount erroneously paid  
23 more than 3 years before that July 1, shall be credited or  
24 refunded.

25 A claim for credit or refund shall be filed on a form  
26 provided by the Department. As soon as practicable after any

1 claim for credit or refund is filed, the Department shall  
2 determine the amount of credit or refund to which the claimant  
3 is entitled and shall notify the claimant of that  
4 determination.

5 A claim for credit or refund shall be filed with the  
6 Department on the date it is received by the Department. Upon  
7 receipt of any claim for credit or refund filed under this  
8 Section, an officer or employee of the Department, authorized  
9 by the Director of Revenue to acknowledge receipt of such  
10 claims on behalf of the Department, shall deliver or mail to  
11 the claimant or his duly authorized agent, a written receipt,  
12 acknowledging that the claim has been filed with the  
13 Department, describing the claim in sufficient detail to  
14 identify it, and stating the date on which the claim was  
15 received by the Department. The written receipt shall be prima  
16 facie evidence that the Department received the claim described  
17 in the receipt and shall be prima facie evidence of the date  
18 when such claim was received by the Department. In the absence  
19 of a written receipt, the records of the Department as to  
20 whether a claim was received, or when the claim was received by  
21 the Department, shall be deemed to be prima facie correct in  
22 the event of any dispute between the claimant, or his legal  
23 representative, and the Department on these issues.

24 Any credit or refund that is allowed under this Article  
25 shall bear interest at the rate and in the manner specified in  
26 the Uniform Penalty and Interest Act.

1           If the Department determines that the claimant is entitled  
2 to a refund, the refund shall be made only from the Sales and  
3 Excise Tax Refund Fund ~~an appropriation to the Department~~ for  
4 that purpose. If the amount available ~~appropriated~~ is  
5 insufficient to pay claimants electing to receive a cash  
6 refund, the Department by rule or regulation shall first  
7 provide for the payment of refunds in hardship cases as defined  
8 by the Department.

9           (Source: P.A. 93-32, eff. 7-1-03.)

10           Section 50. The Messages Tax Act is amended by changing  
11 Section 6 as follows:

12           (35 ILCS 610/6) (from Ch. 120, par. 467.6)

13           Sec. 6. If it appears, after claim therefor filed with the  
14 Department, that an amount of tax or penalty or interest has  
15 been paid which was not due under this Act, whether as the  
16 result of a mistake of fact or an error of law, except as  
17 hereinafter provided, then the Department shall issue a credit  
18 memorandum or refund to the person who made the erroneous  
19 payment or, if that person has died or become a person under  
20 legal disability, to his or her legal representative, as such.

21           If it is determined that the Department should issue a  
22 credit or refund under this Act, the Department may first apply  
23 the amount thereof against any amount of tax or penalty or  
24 interest due hereunder from the person entitled to such credit

1 or refund. For this purpose, if proceedings are pending to  
2 determine whether or not any tax or penalty or interest is due  
3 under this Act from such person, the Department may withhold  
4 issuance of the credit or refund pending the final disposition  
5 of such proceedings and may apply such credit or refund against  
6 any amount found to be due to the Department as a result of  
7 such proceedings. The balance, if any, of the credit or refund  
8 shall be issued to the person entitled thereto.

9 If no tax or penalty or interest is due and no proceeding  
10 is pending to determine whether such person is indebted to the  
11 Department for tax or penalty or interest, the credit  
12 memorandum or refund shall be issued to the claimant; or (in  
13 the case of a credit memorandum) the credit memorandum may be  
14 assigned and set over by the lawful holder thereof, subject to  
15 reasonable rules of the Department, to any other person who is  
16 subject to this Act, and the amount thereof shall be applied by  
17 the Department against any tax or penalty or interest due or to  
18 become due under this Act from such assignee.

19 As to any claim for credit or refund filed with the  
20 Department on or after each January 1 and July 1, no amounts  
21 erroneously paid more than 3 years prior to such January 1 and  
22 July 1, respectively, shall be credited or refunded, except  
23 that if both the Department and the taxpayer have agreed to an  
24 extension of time to issue a notice of tax liability under this  
25 Act, the claim may be filed at any time prior to the expiration  
26 of the period agreed upon.



1           Claims for credit or refund shall be filed upon forms  
2 provided by the Department. As soon as practicable after any  
3 claim for credit or refund is filed, the Department shall  
4 examine the same and determine the amount of credit or refund  
5 to which the claimant is entitled and shall notify the claimant  
6 of such determination, which amount shall be prima facie  
7 correct.

8           Any credit or refund that is allowed under this Act shall  
9 bear interest at the rate and in the manner specified in the  
10 Uniform Penalty and Interest Act.

11           In case the Department determines that the claimant is  
12 entitled to a refund, such refund shall be made only from the  
13 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
14 available for that purpose. If it appears unlikely that the  
15 amount available ~~appropriated~~ would permit everyone having a  
16 claim allowed ~~during the period covered by such appropriation~~  
17 to elect to receive a cash refund, the Department, by rule or  
18 regulation, shall provide for the payment of refunds in  
19 hardship cases and shall define what types of cases qualify as  
20 hardship cases.

21           (Source: P.A. 90-491, eff. 1-1-98.)

22           Section 55. The Gas Revenue Tax Act is amended by changing  
23 Section 6 as follows:

24           (35 ILCS 615/6) (from Ch. 120, par. 467.21)

1           Sec. 6. If it appears, after claim therefor filed with the  
2 Department, that an amount of tax or penalty or interest has  
3 been paid which was not due under this Act, whether as the  
4 result of a mistake of fact or an error of law, except as  
5 hereinafter provided, then the Department shall issue a credit  
6 memorandum or refund to the person who made the erroneous  
7 payment or, if that person has died or become a person under  
8 legal disability, to his or her legal representative, as such.

9           If it is determined that the Department should issue a  
10 credit or refund under this Act, the Department may first apply  
11 the amount thereof against any amount of tax or penalty or  
12 interest due hereunder from the person entitled to such credit  
13 or refund. For this purpose, if proceedings are pending to  
14 determine whether or not any tax or penalty or interest is due  
15 under this Act from such person, the Department may withhold  
16 issuance of the credit or refund pending the final disposition  
17 of such proceedings and may apply such credit or refund against  
18 any amount found to be due to the Department as a result of  
19 such proceedings. The balance, if any, of the credit or refund  
20 shall be issued to the person entitled thereto.

21           If no tax or penalty or interest is due and no proceeding  
22 is pending to determine whether such person is indebted to the  
23 Department for tax or penalty or interest, the credit  
24 memorandum or refund shall be issued to the claimant; or (in  
25 the case of a credit memorandum) the credit memorandum may be  
26 assigned and set over by the lawful holder thereof, subject to

1 reasonable rules of the Department, to any other person who is  
2 subject to this Act, and the amount thereof shall be applied by  
3 the Department against any tax or penalty or interest due or to  
4 become due under this Act from such assignee.

5 As to any claim for credit or refund filed with the  
6 Department on or after each January 1 and July 1, no amounts  
7 erroneously paid more than 3 years prior to such January 1 and  
8 July 1, respectively, shall be credited or refunded, except  
9 that if both the Department and the taxpayer have agreed to an  
10 extension of time to issue a notice of tax liability under this  
11 Act, the claim may be filed at any time prior to the expiration  
12 of the period agreed upon.

13 Claims for credit or refund shall be filed upon forms  
14 provided by the Department. As soon as practicable after any  
15 claim for credit or refund is filed, the Department shall  
16 examine the same and determine the amount of credit or refund  
17 to which the claimant is entitled and shall notify the claimant  
18 of such determination, which amount shall be prima facie  
19 correct.

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

23 In case the Department determines that the claimant is  
24 entitled to a refund, such refund shall be made only from the  
25 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
26 available for that purpose. If it appears unlikely that the

1 amount available ~~appropriated~~ would permit everyone having a  
2 claim allowed ~~during the period covered by such appropriation~~  
3 to elect to receive a cash refund, the Department, by rule or  
4 regulation, shall provide for the payment of refunds in  
5 hardship cases and shall define what types of cases qualify as  
6 hardship cases.

7 (Source: P.A. 90-491, eff. 1-1-98.)

8 Section 60. The Public Utilities Revenue Act is amended by  
9 changing Section 6 as follows:

10 (35 ILCS 620/6) (from Ch. 120, par. 473)

11 Sec. 6. If it appears, after claim therefor filed with the  
12 Department, that an amount of tax or penalty or interest has  
13 been paid which was not due under this Act, whether as the  
14 result of a mistake of fact or an error of law, except as  
15 hereinafter provided, then the Department shall issue a credit  
16 memorandum or refund to the person who made the erroneous  
17 payment or, if that person has died or become a person under  
18 legal disability, to his or her legal representative, as such.

19 If it is determined that the Department should issue a  
20 credit or refund under this Act, the Department may first apply  
21 the amount thereof against any amount of tax or penalty or  
22 interest due hereunder from the person entitled to such credit  
23 or refund. Any credit memorandum issued under the Electricity  
24 Excise Tax Law may be applied against any liability incurred

1 under the tax previously imposed by Section 2 of this Act. For  
2 this purpose, if proceedings are pending to determine whether  
3 or not any tax or penalty or interest is due under this Act  
4 from such person, the Department may withhold issuance of the  
5 credit or refund pending the final disposition of such  
6 proceedings and may apply such credit or refund against any  
7 amount found to be due to the Department as a result of such  
8 proceedings. The balance, if any, of the credit or refund shall  
9 be issued to the person entitled thereto.

10 If no tax or penalty or interest is due and no proceeding  
11 is pending to determine whether such person is indebted to the  
12 Department for tax or penalty or interest, the credit  
13 memorandum or refund shall be issued to the claimant; or (in  
14 the case of a credit memorandum) the credit memorandum may be  
15 assigned and set over by the lawful holder thereof, subject to  
16 reasonable rules of the Department, to any other person who is  
17 subject to this Act, and the amount thereof shall be applied by  
18 the Department against any tax or penalty or interest due or to  
19 become due under this Act from such assignee.

20 As to any claim for credit or refund filed with the  
21 Department on or after each January 1 and July 1, no amounts  
22 erroneously paid more than 3 years prior to such January 1 and  
23 July 1, respectively, shall be credited or refunded, except  
24 that if both the Department and the taxpayer have agreed to an  
25 extension of time to issue a notice of tax liability under this  
26 Act, the claim may be filed at any time prior to the expiration

1 of the period agreed upon.

2 Claims for credit or refund shall be filed upon forms  
3 provided by the Department. As soon as practicable after any  
4 claim for credit or refund is filed, the Department shall  
5 examine the same and determine the amount of credit or refund  
6 to which the claimant is entitled and shall notify the claimant  
7 of such determination, which amount shall be prima facie  
8 correct.

9 Any credit or refund that is allowed under this Act shall  
10 bear interest at the rate and in the manner specified in the  
11 Uniform Penalty and Interest Act.

12 In case the Department determines that the claimant is  
13 entitled to a refund, such refund shall be made only from the  
14 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
15 available for that purpose. If it appears unlikely that the  
16 amount available ~~appropriated~~ would permit everyone having a  
17 claim allowed ~~during the period covered by such appropriation~~  
18 to elect to receive a cash refund, the Department, by rule or  
19 regulation, shall provide for the payment of refunds in  
20 hardship cases and shall define what types of cases qualify as  
21 hardship cases.

22 (Source: P.A. 90-491, eff. 1-1-98; 90-624, eff. 7-10-98.)

23 Section 65. The Water Company Invested Capital Tax Act is  
24 amended by changing Section 6 as follows:

1 (35 ILCS 625/6) (from Ch. 120, par. 1416)

2 Sec. 6. If it appears, after claim therefor filed with the  
3 Department, that an amount of tax or penalty or interest has  
4 been paid which was not due under this Act, whether as the  
5 result of a mistake of fact or an error of law, except as  
6 hereinafter provided, then the Department shall issue a credit  
7 memorandum or refund to the person who made the erroneous  
8 payment or, if that person has died or become incompetent, to  
9 his legal representative, as such.

10 If it is determined that the Department should issue a  
11 credit or refund under this Act, the Department may first apply  
12 the amount thereof against any amount of tax or penalty or  
13 interest due hereunder from the person entitled to such credit  
14 or refund. For this purpose, if proceedings are pending to  
15 determine whether or not any tax or penalty or interest is due  
16 under this Act from such person, the Department may withhold  
17 issuance of the credit or refund pending the final disposition  
18 of such proceedings and may apply such credit or refund against  
19 any amount found to be due to the Department as a result of  
20 such proceedings. The balance, if any, of the credit or refund  
21 shall be issued to the person entitled thereto.

22 If no tax or penalty or interest is due and no proceeding  
23 is pending to determine whether such person is indebted to the  
24 Department for tax or penalty or interest, the credit  
25 memorandum or refund shall be issued to the claimant; or (in  
26 the case of a credit memorandum) the credit memorandum may be

1 assigned and set over by the lawful holder thereof, subject to  
2 reasonable rules of the Department, to any other person who is  
3 subject to this Act, and the amount thereof shall be applied by  
4 the Department against any tax or penalty or interest due or to  
5 become due under this Act from such assignee.

6 As to any claim for credit or refund filed with the  
7 Department on or after each January 1 and July 1, no amounts  
8 erroneously paid more than 3 years prior to such January 1 and  
9 July 1, respectively, shall be credited or refunded, except  
10 that if both the Department and the taxpayer have agreed to an  
11 extension of time to issue a notice of tax liability under this  
12 Act, the claim may be filed at any time prior to the expiration  
13 of the period agreed upon.

14 Claims for credit or refund shall be filed upon forms  
15 provided by the Department. As soon as practicable after any  
16 claim for credit or refund is filed, the Department shall  
17 examine the same and determine the amount of credit or refund  
18 to which the claimant is entitled and shall notify the claimant  
19 of such determination, which amount shall be prima facie  
20 correct.

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

24 In case the Department determines that the claimant is  
25 entitled to a refund, such refund shall be made only from the  
26 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be



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

8 (Source: P.A. 90-491, eff. 1-1-98.)

9 Section 70. The Telecommunications Excise Tax Act is  
10 amended by changing Section 10 as follows:

11 (35 ILCS 630/10) (from Ch. 120, par. 2010)

12 Sec. 10. If it shall appear that an amount of tax or  
13 penalty or interest has been paid in error hereunder to the  
14 Department by a taxpayer, as distinguished from the retailer,  
15 whether such amount be paid through a mistake of fact or an  
16 error of law, such taxpayer may file a claim for credit or  
17 refund with the Department. If it shall appear that an amount  
18 of tax or penalty or interest has been paid in error to the  
19 Department hereunder by a retailer who is required or  
20 authorized to collect and remit the tax imposed by this  
21 Article, whether such amount be paid through a mistake of fact  
22 or an error of law, such retailer may file a claim for credit  
23 or refund with the Department, provided that no credit or  
24 refund shall be allowed for any amount paid by any such

1 retailer unless it shall appear that he bore the burden of such  
2 amount and did not shift the burden thereof to anyone else, or  
3 unless it shall appear that he or she or his or her legal  
4 representative has unconditionally repaid such amount to his  
5 customer (1) who bore the burden thereof and has not shifted  
6 such burden directly or indirectly in any manner whatsoever; or  
7 (2) who, if he or she shifted such burden, has repaid  
8 unconditionally such amount to his or her own customer; and (3)  
9 who is not entitled to receive any reimbursement therefor from  
10 any other source than from his retailer, nor to be relieved of  
11 such burden in any other manner whatsoever.

12 If it is determined that the Department should issue a  
13 credit or refund under this Article, the Department may first  
14 apply the amount thereof against any amount of tax or penalty  
15 or interest due hereunder from the person entitled to such  
16 credit or refund. For this purpose, if proceedings are pending  
17 to determine whether or not any tax or penalty or interest is  
18 due under this Article from such person, the Department may  
19 withhold issuance of the credit or refund pending the final  
20 disposition of such proceedings and may apply such credit or  
21 refund against any amount found to be due to the Department as  
22 a result of such proceedings. The balance, if any, of the  
23 credit or refund shall be issued to the person entitled  
24 thereto.

25 If no tax or penalty or interest is due and no proceeding  
26 is pending to determine whether such person is indebted to the

1 Department for tax or penalty or interest, the credit  
2 memorandum or refund shall be issued to the claimant; or (in  
3 the case of a credit memorandum) the credit memorandum may be  
4 assigned and set over by the lawful holder thereof, subject to  
5 reasonable rules of the Department, to any other person who is  
6 subject to this Article, and the amount thereof shall be  
7 applied by the Department against any tax or penalty or  
8 interest due or to become due under this Article from such  
9 assignee.

10 As to any claim for credit or refund filed with the  
11 Department on or after each January 1 and July 1, no amounts  
12 erroneously paid more than three years prior to such January 1  
13 and July 1, respectively, shall be credited or refunded, except  
14 that if both the Department and the taxpayer have agreed to an  
15 extension of time to issue a notice of tax liability under this  
16 Act, the claim may be filed at any time prior to the expiration  
17 of the period agreed upon.

18 Claims for credit or refund shall be filed upon forms  
19 provided by the Department. As soon as practicable after any  
20 claim for credit or refund is filed, the Department shall  
21 examine the same and determine the amount of credit or refund  
22 to which the claimant is entitled and shall notify the claimant  
23 of such determination, which amount shall be prima facie  
24 correct.

25 A claim for credit or refund shall be considered to have  
26 been filed with the Department on the date upon which it is

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

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

24 In case the Department determines that the claimant is  
25 entitled to a refund, such refund shall be made only from the  
26 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be

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

8 If a retailer who has failed to pay tax on gross charges  
9 for telecommunications is required by the Department to pay  
10 such tax, such retailer, without filing any formal claim with  
11 the Department, shall be allowed to take credit against such  
12 tax liability to the extent, if any, to which such retailer has  
13 paid the tax to its vendor of the telecommunications which such  
14 retailer purchased and used for resale, and no penalty or  
15 interest shall be charged to such retailer on the amount of  
16 such credit. However, when such credit is allowed to the  
17 retailer by the Department, the vendor is precluded from  
18 refunding any of the tax to the retailer and filing a claim for  
19 credit or refund with respect thereto with the Department. The  
20 provisions of this Section added by this amendatory Act of 1988  
21 shall be applied retroactively, regardless of the date of the  
22 transaction.

23 (Source: P.A. 90-491, eff. 1-1-98.)

24 Section 75. The Liquor Control Act of 1934 is amended by  
25 changing Section 8-3 as follows:

1 (235 ILCS 5/8-3) (from Ch. 43, par. 159a)

2 Sec. 8-3. If it appears, after claim therefor filed with  
3 the Department, that an amount of tax or penalty or interest  
4 has been paid which was not due under this Article, whether as  
5 the result of a mistake of fact or an error of law, except as  
6 hereinafter provided, then the Department shall issue a credit  
7 memorandum or refund to the person who made the erroneous  
8 payment or, if that person died or became a person under legal  
9 disability, to his or her legal representative, as such.

10 If it is determined that the Department should issue a  
11 credit or refund under this Article, the Department may first  
12 apply the amount thereof against any amount of tax or penalty  
13 or interest due hereunder from the person entitled to such  
14 credit or refund. For this purpose, if proceedings are pending  
15 to determine whether or not any tax or penalty or interest is  
16 due under this Article from such person, the Department may  
17 withhold issuance of the credit or refund pending the final  
18 disposition of such proceedings and may apply such credit or  
19 refund against any amount found to be due to the Department as  
20 a result of such proceedings. The balance, if any, of the  
21 credit or refund shall be issued to the person entitled  
22 thereto.

23 If no tax or penalty or interest is due and no proceeding  
24 is pending to determine whether such taxpayer is indebted to  
25 the Department for tax or penalty or interest the credit

1 memorandum or refund shall be issued to the claimant; or (in  
2 the case of a credit memorandum) the credit memorandum may be  
3 assigned and set over by the lawful holder thereof, subject to  
4 reasonable rules of the Department, to any other person who is  
5 subject to this Article, and the amount thereof shall be  
6 applied by the Department against any tax or penalty or  
7 interest due or to become due under this Article from such  
8 assignee.

9 As to any claim filed hereunder with the Department on and  
10 after each January 1 and July 1, no amount of tax or penalty or  
11 interest, erroneously paid (either in total or partial  
12 liquidation of a tax or penalty or interest under this Article)  
13 more than 3 years prior to such January 1 and July 1,  
14 respectively, shall be credited or refunded.

15 Any credit or refund that is allowed under this Act shall  
16 bear interest at the rate and in the manner specified in the  
17 Uniform Penalty and Interest Act.

18 In case the Department determines that the claimant is  
19 entitled to a refund, such refund shall be made only from the  
20 Sales and Excise Tax Refund Fund ~~such appropriation~~ as may be  
21 available for that purpose. If it appears unlikely that the  
22 amount available ~~appropriated~~ would permit everyone having a  
23 claim allowed ~~during the period covered by such appropriation~~  
24 to elect to receive a cash refund, the Department, by rule or  
25 regulation, shall provide for the payment of refunds in  
26 hardship cases and shall define what types of cases qualify as

1 hardship cases.

2 (Source: P.A. 87-205.)

3 Section 99. Effective date. This Act takes effect on July  
4 1, 2015.



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