

1 AN ACT in relation to coal.

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

4 Section 1. Short title. This Act may be cited as the  
5 Illinois Coal Mining and Coal Development Act.

6 Section 5. Definitions. For the purposes of this Act:

7 "Agency" means the Illinois Environmental Protection  
8 Agency.

9 "Fund" means the Coal Mining and Coal Development Fund.

10 "Generating unit" means any coal-fired electricity  
11 generating facility with a nameplate capacity of 15 megawatts  
12 or greater used primarily to generate electricity for sale.

13 "Qualified personnel" means employees who install,  
14 operate, and maintain generation, transmission, or  
15 distribution facilities within the State and have the  
16 requisite knowledge, skills, and competence to perform those  
17 functions in a safe and responsible manner in order to  
18 provide safe and reliable service.

19 Section 10. Illinois Coal Mining and Coal Development  
20 Board.

21 (a) The Illinois Coal Mining and Coal Development Board  
22 is established as an advisory board to the Agency. The Board  
23 shall be composed of the following 14 voting members: 2  
24 members of the General Assembly appointed by the Speaker of  
25 the House of Representatives, 2 members of the General  
26 Assembly appointed by the Minority Leader of the House of  
27 Representatives; 2 members of the General Assembly appointed  
28 by the President of the Senate, 2 members of the General  
29 Assembly appointed by the Minority Leader of the Senate; 2  
30 members appointed by the Governor; 1 member selected by the

1 International Brotherhood of Electric Workers; 1 member  
2 selected by the United Mine Workers; 1 member selected by the  
3 Illinois Coal Association; and 1 member selected by the  
4 Illinois Environmental Council. The Governor shall select 1  
5 of the 14 Board members to serve as Chair pending the first  
6 election of officers by Board members.

7 The members appointed by the Governor shall serve for  
8 terms of 4 years, unless otherwise provided in this  
9 subsection. The initial terms of original appointees shall  
10 expire on January 15, 2005. The term of the members  
11 appointed by the Governor to fill a vacancy created on  
12 January 15, 2005, shall expire on January 15, 2009. The  
13 terms of the members appointed by the Governor to fill a  
14 vacancy created on January 15, 2009, shall expire on January  
15 15, 2013 or January 15, 2017, as determined by the Governor.

16 A member appointed by a legislative leader shall serve a  
17 term of 5 years, unless otherwise provided in this  
18 subsection. The initial term of a member appointed by a  
19 legislative leader shall expire on January 15, 2006. The  
20 term of a member appointed by a legislative leader to fill a  
21 vacancy created on January 15, 2006, shall expire on January  
22 15, 2011 or January 15, 2017, as determined by the  
23 legislative leader.

24 The members chosen by the International Brotherhood of  
25 Electrical Workers, United Mine Workers, Illinois Coal  
26 Association, and Illinois Environmental Council shall serve  
27 for terms of 6 years. The initial terms of original  
28 appointees shall expire on January 15, 2007. The term of a  
29 member chosen by the International Brotherhood of Electrical  
30 Workers, United Mine Workers, Illinois Coal Association, or  
31 Illinois Environmental Council to fill a vacancy created on  
32 January 15, 2007 shall expire as follows: 2 on January 15,  
33 2013 and 2 on January 15, 2017, as determined by lot.

34 A Board member appointed by the Speaker of the House of

1 Representatives, the Minority Leader of the House of  
2 Representatives, the President of the Senate, or the Minority  
3 Leader of the Senate shall not receive compensation. All  
4 other Board members shall be entitled to compensation for  
5 their services not to exceed \$25,000 annually. All Board  
6 members shall be entitled to reimbursement for reasonable  
7 expenses incurred in the performance of their duties as Board  
8 members.

9 The Board shall meet at least annually or at the call of  
10 the Chair for a meeting of the Board. At any time, a  
11 majority of the Board may petition the Chair for a meeting of  
12 the Board. Eight members of the Board shall constitute a  
13 quorum.

14 (b) The Board shall provide advice and make  
15 recommendations on the following Agency powers and duties:

16 (1) To develop a program to increase the  
17 utilization of Illinois coal.

18 (2) To approve projects and funding for  
19 architectural and technical planning and installation of  
20 sulfur dioxide and nitrogen emission control systems for  
21 coal-fired electric generating units located in Illinois,  
22 if the owner of the generating unit receiving the funding  
23 agrees to:

24 (A) burn Illinois coal to generate  
25 electricity, and

26 (B) employ qualified personal to install,  
27 operate, and maintain generation, transmission, or  
28 distribution facilities within the State.

29 (3) To cooperate to the fullest extent possible  
30 with State and federal agencies and departments,  
31 independent organizations, and other interested groups,  
32 public and private, for the purposes of promoting  
33 Illinois coal resources.

34 (4) To submit an annual report to the Governor and

1 the General Assembly outlining the progress and  
2 accomplishments made in the year, providing an annual  
3 accounting of funds received and disbursed, and reviewing  
4 the status of the program.

5 (5) To adopt, amend, and repeal rules, regulations,  
6 and bylaws governing the Board's organization and conduct  
7 of business.

8 (6) To authorize the expenditure of moneys for coal  
9 mining and coal development projects from the Coal Mining  
10 and Coal Development Fund.

11 (7) To develop strategies and to propose policies  
12 to promote environmentally responsible uses of Illinois  
13 coal for meeting electric power supply requirements and  
14 for other purposes.

15 Section 15. Rules. The Illinois Environmental Protection  
16 Agency is authorized to promulgate rules to implement the  
17 provisions of this Act.

18 Section 20. Bonds. The State of Illinois is authorized  
19 to issue, sell, and provide for the retirement of general  
20 obligation bonds of the State of Illinois in the aggregate  
21 principal amount of \$500,000,000, hereinafter called "Bonds",  
22 for the purposes of architectural and technical planning and  
23 installation of sulfur dioxide and nitrogen oxide emission  
24 control systems for coal-fired electricity generating units.

25 Section 25. Bond proceeds. The proceeds of the bonds  
26 shall be deposited into a separate fund known as the Coal  
27 Mining and Coal Development Fund, which is hereby created.

28 Section 30. Expenditure of Funds. At all times, the  
29 proceeds from the sale of Bonds are subject to appropriation  
30 by the General Assembly and may be expended in such amounts

1 and at such times as the Illinois Environmental Protection  
2 Agency may deem necessary or desirable for the purposes of  
3 this Act.

4 Section 35. The Illinois Coal and Energy Development  
5 Bond Act is amended by changing Section 6 as follows:

6 (20 ILCS 1110/6) (from Ch. 96 1/2, par. 4106)

7 Sec. 6. The Department of Commerce and Community Affairs  
8 is authorized to use \$120,000,000 for the purposes specified  
9 in this Act. ~~These funds shall be expended only for a grant  
10 to the owner of a generating station located in Illinois and  
11 having at least three coal-fired generating units with  
12 accredited summer capacity greater than 500 megawatts each at  
13 such generating station as specifically authorized by this  
14 paragraph.~~ Notwithstanding any of the other provisions of  
15 this Act, in considering the approval of projects to be  
16 funded under this Act, the Department of Commerce and  
17 Community Affairs shall give special consideration to  
18 projects which are designed to remove sulfur and other  
19 pollutants in the preparation and utilization of coal, and in  
20 the use and operation of electric utility generating plants  
21 and industrial facilities which utilize Illinois coal as  
22 their primary source of fuel. ~~The Department of Commerce and  
23 Community Affairs is directed to enter into a contract with  
24 the owner of a generating station located in Illinois and  
25 having at least three coal-fired generating units with  
26 accredited summer capability greater than 500 megawatts each  
27 at such generating station for a grant of \$35,000,000 to be  
28 made by the State of Illinois to such owner to be used to pay  
29 costs of designing, acquiring, constructing, installing and  
30 testing facilities to reduce sulfur dioxide emissions at one  
31 such generating unit to allow that unit to meet the  
32 requirements of the Federal Clean Air Act Amendments of 1990~~

1     ~~(P.L. 101-549)-while-continuing-to-use-coal-mined-in-Illinois~~  
2     ~~as-its-source-of-fuel.~~  
3     (Source: P.A. 91-583, eff. 1-1-00.)

4             Section 40. The State Finance Act is amended by adding  
5     Section 5.545 as follows:

6             (30 ILCS 105/5.545 new)  
7             Sec. 5.545. The Coal Mining and Coal Development Fund.

8             Section 45. The General Obligation Bond Act is amended  
9     by changing Section 2 as follows:

10            (30 ILCS 330/2) (from Ch. 127, par. 652)  
11            Sec. 2. Authorization for Bonds. The State of Illinois  
12     is authorized to issue, sell and provide for the retirement  
13     of General Obligation Bonds of the State of Illinois for the  
14     categories and specific purposes expressed in Sections 2  
15     through 8 of this Act, in the total amount of \$14,697,632,592  
16     ~~\$14,197,632,592.~~

17            The bonds authorized in this Section 2 and in Section 16  
18     of this Act are herein called "Bonds".

19            Of the total amount of Bonds authorized in this Act, up  
20     to \$2,200,000,000 in aggregate original principal amount may  
21     be issued and sold in accordance with the Baccalaureate  
22     Savings Act in the form of General Obligation College Savings  
23     Bonds.

24            Of the total amount of Bonds authorized in this Act, up  
25     to \$300,000,000 in aggregate original principal amount may be  
26     issued and sold in accordance with the Retirement Savings Act  
27     in the form of General Obligation Retirement Savings Bonds.

28            The issuance and sale of Bonds pursuant to the General  
29     Obligation Bond Act is an economical and efficient method of  
30     financing the capital needs of the State. This Act will

1 permit the issuance of a multi-purpose General Obligation  
2 Bond with uniform terms and features. This will not only  
3 lower the cost of registration but also reduce the overall  
4 cost of issuing debt by improving the marketability of  
5 Illinois General Obligation Bonds.

6 (Source: P.A. 90-1, eff. 2-20-97; 90-8, eff. 12-8-97; 90-549,  
7 eff. 12-8-97; 90-586, eff. 6-4-98; 91-39, eff. 6-15-99;  
8 91-53, eff 6-30-99; 91-710, eff. 5-17-00.)

9 (30 ILCS 330/7) (from Ch. 127, par. 657)

10 Sec. 7. Coal and Energy Development. The amount of  
11 \$163,200,000 is authorized to be used by the Department of  
12 Commerce and Community Affairs for coal and energy  
13 development purposes, pursuant to Sections 2, 3 and 3.1 of  
14 the Illinois Coal and Energy Development Bond Act, and for  
15 the purposes specified in Section 8.1 of the Energy  
16 Conservation and Coal Development Act. Of this amount  
17 \$115,000,000 is for the specific purposes of acquisition,  
18 development, construction, reconstruction, improvement,  
19 financing, architectural and technical planning and  
20 installation of capital facilities consisting of buildings,  
21 structures, durable equipment, and land for the purpose of  
22 capital development of coal resources within the State and  
23 for the purposes specified in Section 8.1 of the Energy  
24 Conservation and Coal Development Act, \$35,000,000 is for the  
25 purposes specified in Section 8.1 of the Energy Conservation  
26 and Coal Development Act, ~~and making a grant to the owner of~~  
27 ~~a generating station located in Illinois and having at least~~  
28 ~~three coal-fired generating units with accredited summer~~  
29 ~~capacity greater than 500 megawatts each at such generating~~  
30 ~~station as provided in Section 6 of that Bond Act~~ and  
31 \$13,200,000 is for research, development and demonstration of  
32 forms of energy other than that derived from coal, either on  
33 or off State property.

1       The amount of \$500,000,000 is authorized to be used by  
2       the Environmental Protection Agency for the purposes stated  
3       in subsection (b) of Section 3 of the Coal Mining and Coal  
4       Development Act.

5       (Source: P.A. 89-445, eff. 2-7-96; 90-312, eff. 8-1-97;  
6       90-549, eff. 12-8-97.)

7       Section 50. The Use Tax Act is amended by changing  
8       Section 9 as follows:

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

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

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



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

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

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

- 23 1. The name of the seller;
- 24 2. The address of the principal place of business  
25 from which he engages in the business of selling tangible  
26 personal property at retail in this State;
- 27 3. The total amount of taxable receipts received by  
28 him during the preceding calendar month from sales of  
29 tangible personal property by him during such preceding  
30 calendar month, including receipts from charge and time  
31 sales, but less all deductions allowed by law;
- 32 4. The amount of credit provided in Section 2d of  
33 this Act;
- 34 5. The amount of tax due;

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

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

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

30          Before August 1 of each year beginning in 1993, the  
31          Department shall notify all taxpayers required to make  
32          payments by electronic funds transfer. All taxpayers required  
33          to make payments by electronic funds transfer shall make  
34          those payments for a minimum of one year beginning on October

1 1.

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

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

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

12 Before October 1, 2000, if the taxpayer's average monthly  
13 tax liability to the Department under this Act, the  
14 Retailers' Occupation Tax Act, the Service Occupation Tax  
15 Act, the Service Use Tax Act was \$10,000 or more during the  
16 preceding 4 complete calendar quarters, he shall file a  
17 return with the Department each month by the 20th day of the  
18 month next following the month during which such tax  
19 liability is incurred and shall make payments to the  
20 Department on or before the 7th, 15th, 22nd and last day of  
21 the month during which such liability is incurred. On and  
22 after October 1, 2000, if the taxpayer's average monthly tax  
23 liability to the Department under this Act, the Retailers'  
24 Occupation Tax Act, the Service Occupation Tax Act, and the  
25 Service Use Tax Act was \$20,000 or more during the preceding  
26 4 complete calendar quarters, he shall file a return with the  
27 Department each month by the 20th day of the month next  
28 following the month during which such tax liability is  
29 incurred and shall make payment to the Department on or  
30 before the 7th, 15th, 22nd and last day of the month during  
31 which such liability is incurred. If the month during which  
32 such tax liability is incurred began prior to January 1,  
33 1985, each payment shall be in an amount equal to 1/4 of the  
34 taxpayer's actual liability for the month or an amount set by

1 the Department not to exceed 1/4 of the average monthly  
2 liability of the taxpayer to the Department for the preceding  
3 4 complete calendar quarters (excluding the month of highest  
4 liability and the month of lowest liability in such 4 quarter  
5 period). If the month during which such tax liability is  
6 incurred begins on or after January 1, 1985, and prior to  
7 January 1, 1987, each payment shall be in an amount equal to  
8 22.5% of the taxpayer's actual liability for the month or  
9 27.5% of the taxpayer's liability for the same calendar month  
10 of the preceding year. If the month during which such tax  
11 liability is incurred begins on or after January 1, 1987, and  
12 prior to January 1, 1988, each payment shall be in an amount  
13 equal to 22.5% of the taxpayer's actual liability for the  
14 month or 26.25% of the taxpayer's liability for the same  
15 calendar month of the preceding year. If the month during  
16 which such tax liability is incurred begins on or after  
17 January 1, 1988, and prior to January 1, 1989, or begins on  
18 or after January 1, 1996, each payment shall be in an amount  
19 equal to 22.5% of the taxpayer's actual liability for the  
20 month or 25% of the taxpayer's liability for the same  
21 calendar month of the preceding year. If the month during  
22 which such tax liability is incurred begins on or after  
23 January 1, 1989, and prior to January 1, 1996, each payment  
24 shall be in an amount equal to 22.5% of the taxpayer's actual  
25 liability for the month or 25% of the taxpayer's liability  
26 for the same calendar month of the preceding year or 100% of  
27 the taxpayer's actual liability for the quarter monthly  
28 reporting period. The amount of such quarter monthly  
29 payments shall be credited against the final tax liability of  
30 the taxpayer's return for that month. Before October 1,  
31 2000, once applicable, the requirement of the making of  
32 quarter monthly payments to the Department shall continue  
33 until such taxpayer's average monthly liability to the  
34 Department during the preceding 4 complete calendar quarters

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

1 timely paid, except insofar as the taxpayer has previously  
2 made payments for that month to the Department in excess of  
3 the minimum payments previously due as provided in this  
4 Section. The Department shall make reasonable rules and  
5 regulations to govern the quarter monthly payment amount and  
6 quarter monthly payment dates for taxpayers who file on other  
7 than a calendar monthly basis.

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

1 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  
9 such year; with the return for July, August and September of  
10 a given year being due by October 20 of such year, and with  
11 the return for October, November and December of a given year  
12 being due by January 20 of the following year.

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

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

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

29 In addition, with respect to motor vehicles, watercraft,  
30 aircraft, and trailers that are required to be registered  
31 with an agency of this State, every retailer selling this  
32 kind of tangible personal property shall file, with the  
33 Department, upon a form to be prescribed and supplied by the  
34 Department, a separate return for each such item of tangible

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

18 The transaction reporting return in the case of motor  
19 vehicles or trailers that are required to be registered with  
20 an agency of this State, shall be the same document as the  
21 Uniform Invoice referred to in Section 5-402 of the Illinois  
22 Vehicle Code and must show the name and address of the  
23 seller; the name and address of the purchaser; the amount of  
24 the selling price including the amount allowed by the  
25 retailer for traded-in property, if any; the amount allowed  
26 by the retailer for the traded-in tangible personal property,  
27 if any, to the extent to which Section 2 of this Act allows  
28 an exemption for the value of traded-in property; the balance  
29 payable after deducting such trade-in allowance from the  
30 total selling price; the amount of tax due from the retailer  
31 with respect to such transaction; the amount of tax collected  
32 from the purchaser by the retailer on such transaction (or  
33 satisfactory evidence that such tax is not due in that  
34 particular instance, if that is claimed to be the fact); the



1 place and date of the sale; a sufficient identification of  
2 the property sold; such other information as is required in  
3 Section 5-402 of the Illinois Vehicle Code, and such other  
4 information as the Department may reasonably require.

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

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

34 With each such transaction reporting return, the retailer

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

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

21 If the user who would otherwise pay tax to the retailer  
22 wants the transaction reporting return filed and the payment  
23 of tax or proof of exemption made to the Department before  
24 the retailer is willing to take these actions and such user  
25 has not paid the tax to the retailer, such user may certify  
26 to the fact of such delay by the retailer, and may (upon the  
27 Department being satisfied of the truth of such  
28 certification) transmit the information required by the  
29 transaction reporting return and the remittance for tax or  
30 proof of exemption directly to the Department and obtain his  
31 tax receipt or exemption determination, in which event the  
32 transaction reporting return and tax remittance (if a tax  
33 payment was required) shall be credited by the Department to  
34 the proper retailer's account with the Department, but

1 without the 2.1% or 1.75% discount provided for in this  
2 Section being allowed. When the user pays the tax directly  
3 to the Department, he shall pay the tax in the same amount  
4 and in the same form in which it would be remitted if the tax  
5 had been remitted to the Department by the retailer.

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

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

30 If experience indicates such action to be practicable,  
31 the Department may prescribe and furnish a combination or  
32 joint return which will enable retailers, who are required to  
33 file returns hereunder and also under the Retailers'  
34 Occupation Tax Act, to furnish all the return information

1 required by both Acts on the one form.

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

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

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

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

34 Beginning August 1, 2000, each month the Department shall

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

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

11 Beginning August 1, 2001, each month the Department shall  
12 pay into the General Obligation Bond Retirement and Interest  
13 Fund 80% of the net revenue realized for the preceding month  
14 from the 6.25% general rate on the selling price of coal  
15 until the Bureau of the Budget certifies to the Department  
16 that the amount that will be necessary to finance the  
17 principal of, interest on, and premium, if any, on the  
18 \$500,000,000 in additional general obligation bonds  
19 authorized to be issued under this amendatory Act of the 92nd  
20 General Assembly for coal development has been paid into that  
21 Fund.

22 Of the remainder of the moneys received by the Department  
23 pursuant to this Act, (a) 1.75% thereof shall be paid into  
24 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%  
25 and on and after July 1, 1989, 3.8% thereof shall be paid  
26 into the Build Illinois Fund; provided, however, that if in  
27 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,  
28 as the case may be, of the moneys received by the Department  
29 and required to be paid into the Build Illinois Fund pursuant  
30 to Section 3 of the Retailers' Occupation Tax Act, Section 9  
31 of the Use Tax Act, Section 9 of the Service Use Tax Act, and  
32 Section 9 of the Service Occupation Tax Act, such Acts being  
33 hereinafter called the "Tax Acts" and such aggregate of 2.2%  
34 or 3.8%, as the case may be, of moneys being hereinafter

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

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

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

33	Fiscal Year	Total Deposit
34	1993	\$0

1	1994	53,000,000
2	1995	58,000,000
3	1996	61,000,000
4	1997	64,000,000
5	1998	68,000,000
6	1999	71,000,000
7	2000	75,000,000
8	2001	80,000,000
9	2002	84,000,000
10	2003	89,000,000
11	2004	93,000,000
12	2005	97,000,000
13	2006	102,000,000
14	2007	108,000,000
15	2008	115,000,000
16	2009	120,000,000
17	2010	126,000,000
18	2011	132,000,000
19	2012	138,000,000
20	2013 and	145,000,000

21 each fiscal year  
22 thereafter that bonds  
23 are outstanding under  
24 Section 13.2 of the  
25 Metropolitan Pier and  
26 Exposition Authority  
27 Act, but not after fiscal year 2029.

28 Beginning July 20, 1993 and in each month of each fiscal  
29 year thereafter, one-eighth of the amount requested in the  
30 certificate of the Chairman of the Metropolitan Pier and  
31 Exposition Authority for that fiscal year, less the amount  
32 deposited into the McCormick Place Expansion Project Fund by  
33 the State Treasurer in the respective month under subsection  
34 (g) of Section 13 of the Metropolitan Pier and Exposition



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

7 Subject to payment of amounts into the Build Illinois  
8 Fund and the McCormick Place Expansion Project Fund pursuant  
9 to the preceding paragraphs or in any amendment thereto  
10 hereafter enacted, each month the Department shall pay into  
11 the Local Government Distributive Fund .4% of the net revenue  
12 realized for the preceding month from the 5% general rate, or  
13 .4% of 80% of the net revenue realized for the preceding  
14 month from the 6.25% general rate, as the case may be, on the  
15 selling price of tangible personal property which amount  
16 shall, subject to appropriation, be distributed as provided  
17 in Section 2 of the State Revenue Sharing Act. No payments or  
18 distributions pursuant to this paragraph shall be made if the  
19 tax imposed by this Act on photoprocessing products is  
20 declared unconstitutional, or if the proceeds from such tax  
21 are unavailable for distribution because of litigation.

22 Subject to payment of amounts into the Build Illinois  
23 Fund, the McCormick Place Expansion Project Fund, and the  
24 Local Government Distributive Fund pursuant to the preceding  
25 paragraphs or in any amendments thereto hereafter enacted,  
26 beginning July 1, 1993, the Department shall each month pay  
27 into the Illinois Tax Increment Fund 0.27% of 80% of the net  
28 revenue realized for the preceding month from the 6.25%  
29 general rate on the selling price of tangible personal  
30 property.

31 Of the remainder of the moneys received by the Department  
32 pursuant to this Act, 75% thereof shall be paid into the  
33 State Treasury and 25% shall be reserved in a special account  
34 and used only for the transfer to the Common School Fund as

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

3 As soon as possible after the first day of each month,  
4 upon certification of the Department of Revenue, the  
5 Comptroller shall order transferred and the Treasurer shall  
6 transfer from the General Revenue Fund to the Motor Fuel Tax  
7 Fund an amount equal to 1.7% of 80% of the net revenue  
8 realized under this Act for the second preceding month.  
9 Beginning April 1, 2000, this transfer is no longer required  
10 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  
17 in 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  
20 such sales, if the retailers who are affected do not make  
21 written objection to the Department to this arrangement.

22 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;  
23 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.  
24 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,  
25 eff. 1-1-01; revised 8-30-00.)

26 Section 55. The Service Use Tax Act is amended by  
27 changing Section 9 as follows:

28 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

29 Sec. 9. Each serviceman required or authorized to  
30 collect the tax herein imposed shall pay to the Department  
31 the amount of such tax (except as otherwise provided) at the  
32 time when he is required to file his return for the period

1 during which such tax was collected, less a discount of 2.1%  
2 prior to January 1, 1990 and 1.75% on and after January 1,  
3 1990, or \$5 per calendar year, whichever is greater, which is  
4 allowed to reimburse the serviceman for expenses incurred in  
5 collecting the tax, keeping records, preparing and filing  
6 returns, remitting the tax and supplying data to the  
7 Department on request. A serviceman need not remit that part  
8 of any tax collected by him to the extent that he is required  
9 to pay and does pay the tax imposed by the Service Occupation  
10 Tax Act with respect to his sale of service involving the  
11 incidental transfer by him of the same property.

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

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

- 27 1. The name of the seller;
- 28 2. The address of the principal place of business  
29 from which he engages in business as a serviceman in this  
30 State;
- 31 3. The total amount of taxable receipts received by  
32 him during the preceding calendar month, including  
33 receipts from charge and time sales, but less all  
34 deductions allowed by law;

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

3           5. The amount of tax due;

4           5-5. The signature of the taxpayer; and

5           6. Such other reasonable information as the  
6 Department may require.

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

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

33           Before August 1 of each year beginning in 1993, the  
34 Department shall notify all taxpayers required to make

1 payments by electronic funds transfer. All taxpayers required  
2 to make payments by electronic funds transfer shall make  
3 those payments for a minimum of one year beginning on October  
4 1.

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

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

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

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

26 If the serviceman is otherwise required to file a monthly  
27 or quarterly return and if the serviceman's average monthly  
28 tax liability to the Department does not exceed \$50, the  
29 Department may authorize his returns to be filed on an annual  
30 basis, with the return for a given year being due by January  
31 20 of the following year.

32 Such quarter annual and annual returns, as to form and  
33 substance, shall be subject to the same requirements as  
34 monthly returns.

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

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

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

30           If experience indicates such action to be practicable,  
31 the Department may prescribe and furnish a combination or  
32 joint return which will enable servicemen, who are required  
33 to file returns hereunder and also under the Service  
34 Occupation Tax Act, to furnish all the return information

1 required by both Acts on the one form.

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

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

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

26 Beginning August 1, 2000, each month the Department shall  
27 pay into the State and Local Sales Tax Reform Fund 100% of  
28 the net revenue realized for the preceding month from the  
29 1.25% rate on the selling price of motor fuel and gasohol.

30 Beginning August 1, 2001, each month the Department shall  
31 pay into the General Obligation Bond Retirement and Interest  
32 Fund 80% of the net revenue realized for the preceding month  
33 from the 6.25% general rate on the selling price of coal  
34 until the Bureau of the Budget certifies to the Department

1 that the amount that will be necessary to finance the  
2 principal of, interest on, and premium, if any, on the  
3 \$500,000,000 in additional general obligation bonds  
4 authorized to be issued under this amendatory Act of the 92nd  
5 General Assembly for coal development has been paid into that  
6 Fund.

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



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

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

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

18	Fiscal Year	Total Deposit
19	1993	\$0
20	1994	53,000,000
21	1995	58,000,000
22	1996	61,000,000
23	1997	64,000,000
24	1998	68,000,000
25	1999	71,000,000
26	2000	75,000,000
27	2001	80,000,000
28	2002	84,000,000
29	2003	89,000,000
30	2004	93,000,000
31	2005	97,000,000
32	2006	102,000,000
33	2007	108,000,000
34	2008	115,000,000

1	2009	120,000,000
2	2010	126,000,000
3	2011	132,000,000
4	2012	138,000,000
5	2013 and	145,000,000

6 each fiscal year  
7 thereafter that bonds  
8 are outstanding under  
9 Section 13.2 of the  
10 Metropolitan Pier and  
11 Exposition Authority Act,  
12 but not after fiscal year 2029.

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

26 Subject to payment of amounts into the Build Illinois  
27 Fund and the McCormick Place Expansion Project Fund pursuant  
28 to the preceding paragraphs or in any amendment thereto  
29 hereafter enacted, each month the Department shall pay into  
30 the Local Government Distributive Fund 0.4% of the net  
31 revenue realized for the preceding month from the 5% general  
32 rate or 0.4% of 80% of the net revenue realized for the  
33 preceding month from the 6.25% general rate, as the case may  
34 be, on the selling price of tangible personal property which

1 amount shall, subject to appropriation, be distributed as  
2 provided in Section 2 of the State Revenue Sharing Act. No  
3 payments or distributions pursuant to this paragraph shall be  
4 made if the tax imposed by this Act on photo processing  
5 products is declared unconstitutional, or if the proceeds  
6 from such tax are unavailable for distribution because of  
7 litigation.

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

17 All remaining moneys received by the Department pursuant  
18 to this Act shall be paid into the General Revenue Fund of  
19 the State Treasury.

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

28 Net revenue realized for a month shall be the revenue  
29 collected by the State pursuant to this Act, less the amount  
30 paid out during that month as refunds to taxpayers for  
31 overpayment of liability.

32 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,  
33 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;  
34 91-872, eff. 7-1-00.)

1 Section 60. The Service Occupation Tax Act is amended by  
2 changing Section 9 as follows:

3 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

4 Sec. 9. Each serviceman required or authorized to  
5 collect the tax herein imposed shall pay to the Department  
6 the amount of such tax at the time when he is required to  
7 file his return for the period during which such tax was  
8 collectible, less a discount of 2.1% prior to January 1,  
9 1990, and 1.75% on and after January 1, 1990, or \$5 per  
10 calendar year, whichever is greater, which is allowed to  
11 reimburse the serviceman for expenses incurred in collecting  
12 the tax, keeping records, preparing and filing returns,  
13 remitting the tax and supplying data to the Department on  
14 request.

15 Where such tangible personal property is sold under a  
16 conditional sales contract, or under any other form of sale  
17 wherein the payment of the principal sum, or a part thereof,  
18 is extended beyond the close of the period for which the  
19 return is filed, the serviceman, in collecting the tax may  
20 collect, for each tax return period, only the tax applicable  
21 to the part of the selling price actually received during  
22 such tax return period.

23 Except as provided hereinafter in this Section, on or  
24 before the twentieth day of each calendar month, such  
25 serviceman shall file a return for the preceding calendar  
26 month in accordance with reasonable rules and regulations to  
27 be promulgated by the Department of Revenue. Such return  
28 shall be filed on a form prescribed by the Department and  
29 shall contain such information as the Department may  
30 reasonably require.

31 The Department may require returns to be filed on a  
32 quarterly basis. If so required, a return for each calendar  
33 quarter shall be filed on or before the twentieth day of the

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

- 6 1. The name of the seller;
- 7 2. The address of the principal place of business  
8 from which he engages in business as a serviceman in this  
9 State;
- 10 3. The total amount of taxable receipts received by  
11 him during the preceding calendar month, including  
12 receipts from charge and time sales, but less all  
13 deductions allowed by law;
- 14 4. The amount of credit provided in Section 2d of  
15 this Act;
- 16 5. The amount of tax due;
- 17 5-5. The signature of the taxpayer; and
- 18 6. Such other reasonable information as the  
19 Department may require.

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

24 A serviceman may accept a Manufacturer's Purchase Credit  
25 certification from a purchaser in satisfaction of Service Use  
26 Tax as provided in Section 3-70 of the Service Use Tax Act if  
27 the purchaser provides the appropriate documentation as  
28 required by Section 3-70 of the Service Use Tax Act. A  
29 Manufacturer's Purchase Credit certification, accepted by a  
30 serviceman as provided in Section 3-70 of the Service Use Tax  
31 Act, may be used by that serviceman to satisfy Service  
32 Occupation Tax liability in the amount claimed in the  
33 certification, not to exceed 6.25% of the receipts subject to  
34 tax from a qualifying purchase.

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

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

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

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

26           Beginning October 1, 1993, a taxpayer who has an average  
27 monthly tax liability of \$150,000 or more shall make all  
28 payments required by rules of the Department by electronic  
29 funds transfer. Beginning October 1, 1994, a taxpayer who  
30 has an average monthly tax liability of \$100,000 or more  
31 shall make all payments required by rules of the Department  
32 by electronic funds transfer. Beginning October 1, 1995, a  
33 taxpayer who has an average monthly tax liability of \$50,000  
34 or more shall make all payments required by rules of the

1 Department by electronic funds transfer. Beginning October  
2 1, 2000, a taxpayer who has an annual tax liability of  
3 \$200,000 or more shall make all payments required by rules of  
4 the Department by electronic funds transfer. The term  
5 "annual tax liability" shall be the sum of the taxpayer's  
6 liabilities under this Act, and under all other State and  
7 local occupation and use tax laws administered by the  
8 Department, for the immediately preceding calendar year. The  
9 term "average monthly tax liability" means the sum of the  
10 taxpayer's liabilities under this Act, and under all other  
11 State and local occupation and use tax laws administered by  
12 the Department, for the immediately preceding calendar year  
13 divided by 12.

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

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

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

27 The Department shall adopt such rules as are necessary to  
28 effectuate a program of electronic funds transfer and the  
29 requirements of this Section.

30 Where a serviceman collects the tax with respect to the  
31 selling price of tangible personal property which he sells  
32 and the purchaser thereafter returns such tangible personal  
33 property and the serviceman refunds the selling price thereof  
34 to the purchaser, such serviceman shall also refund, to the



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

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

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

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

34 Beginning January 1, 1990, each month the Department

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

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

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

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

16 Beginning August 1, 2001, each month the Department shall  
17 pay into the General Obligation Bond Retirement and Interest  
18 Fund 80% of the net revenue realized for the preceding month  
19 from the 6.25% general rate on the selling price of coal  
20 until the Bureau of the Budget certifies to the Department  
21 that the amount that will be necessary to finance the  
22 principal of, interest on, and premium, if any, on the  
23 \$500,000,000 in additional general obligation bonds  
24 authorized to be issued under this amendatory Act of the 92nd  
25 General Assembly for coal development has been paid into that  
26 Fund.

27 Of the remainder of the moneys received by the Department  
28 pursuant to this Act, (a) 1.75% thereof shall be paid into  
29 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%  
30 and on and after July 1, 1989, 3.8% thereof shall be paid  
31 into the Build Illinois Fund; provided, however, that if in  
32 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,  
33 as the case may be, of the moneys received by the Department  
34 and required to be paid into the Build Illinois Fund pursuant

1 to Section 3 of the Retailers' Occupation Tax Act, Section 9  
2 of the Use Tax Act, Section 9 of the Service Use Tax Act, and  
3 Section 9 of the Service Occupation Tax Act, such Acts being  
4 hereinafter called the "Tax Acts" and such aggregate of 2.2%  
5 or 3.8%, as the case may be, of moneys being hereinafter  
6 called the "Tax Act Amount", and (2) the amount transferred  
7 to the Build Illinois Fund from the State and Local Sales Tax  
8 Reform Fund shall be less than the Annual Specified Amount  
9 (as defined in Section 3 of the Retailers' Occupation Tax  
10 Act), an amount equal to the difference shall be immediately  
11 paid into the Build Illinois Fund from other moneys received  
12 by the Department pursuant to the Tax Acts; and further  
13 provided, that if on the last business day of any month the  
14 sum of (1) the Tax Act Amount required to be deposited into  
15 the Build Illinois Account in the Build Illinois Fund during  
16 such month and (2) the amount transferred during such month  
17 to the Build Illinois Fund from the State and Local Sales Tax  
18 Reform Fund shall have been less than 1/12 of the Annual  
19 Specified Amount, an amount equal to the difference shall be  
20 immediately paid into the Build Illinois Fund from other  
21 moneys received by the Department pursuant to the Tax Acts;  
22 and, further provided, that in no event shall the payments  
23 required under the preceding proviso result in aggregate  
24 payments into the Build Illinois Fund pursuant to this clause  
25 (b) for any fiscal year in excess of the greater of (i) the  
26 Tax Act Amount or (ii) the Annual Specified Amount for such  
27 fiscal year; and, further provided, that the amounts payable  
28 into the Build Illinois Fund under this clause (b) shall be  
29 payable only until such time as the aggregate amount on  
30 deposit under each trust indenture securing Bonds issued and  
31 outstanding pursuant to the Build Illinois Bond Act is  
32 sufficient, taking into account any future investment income,  
33 to fully provide, in accordance with such indenture, for the  
34 defeasance of or the payment of the principal of, premium, if

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

25 Subject to payment of amounts into the Build Illinois  
26 Fund as provided in the preceding paragraph or in any  
27 amendment thereto hereafter enacted, the following specified  
28 monthly installment of the amount requested in the  
29 certificate of the Chairman of the Metropolitan Pier and  
30 Exposition Authority provided under Section 8.25f of the  
31 State Finance Act, but not in excess of the sums designated  
32 as "Total Deposit", shall be deposited in the aggregate from  
33 collections under Section 9 of the Use Tax Act, Section 9 of  
34 the Service Use Tax Act, Section 9 of the Service Occupation

1 Tax Act, and Section 3 of the Retailers' Occupation Tax Act  
 2 into the McCormick Place Expansion Project Fund in the  
 3 specified fiscal years.

4	Fiscal Year	Total Deposit
5	1993	\$0
6	1994	53,000,000
7	1995	58,000,000
8	1996	61,000,000
9	1997	64,000,000
10	1998	68,000,000
11	1999	71,000,000
12	2000	75,000,000
13	2001	80,000,000
14	2002	84,000,000
15	2003	89,000,000
16	2004	93,000,000
17	2005	97,000,000
18	2006	102,000,000
19	2007	108,000,000
20	2008	115,000,000
21	2009	120,000,000
22	2010	126,000,000
23	2011	132,000,000
24	2012	138,000,000
25	2013 and	145,000,000

26 each fiscal year  
 27 thereafter that bonds  
 28 are outstanding under  
 29 Section 13.2 of the  
 30 Metropolitan Pier and  
 31 Exposition Authority  
 32 Act, but not after fiscal year 2029.

33 Beginning July 20, 1993 and in each month of each fiscal  
 34 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,  
10 but not in excess of the amount specified above as "Total  
11 Deposit", has been deposited.

12 Subject to payment of amounts into the Build Illinois  
13 Fund and the McCormick Place Expansion Project Fund pursuant  
14 to the preceding paragraphs or in any amendment thereto  
15 hereafter enacted, each month the Department shall pay into  
16 the Local Government Distributive Fund 0.4% of the net  
17 revenue realized for the preceding month from the 5% general  
18 rate or 0.4% of 80% of the net revenue realized for the  
19 preceding month from the 6.25% general rate, as the case may  
20 be, on the selling price of tangible personal property which  
21 amount shall, subject to appropriation, be distributed as  
22 provided in Section 2 of the State Revenue Sharing Act. No  
23 payments or distributions pursuant to this paragraph shall be  
24 made if the tax imposed by this Act on photoprocessing  
25 products is declared unconstitutional, or if the proceeds  
26 from such tax are unavailable for distribution because of  
27 litigation.

28 Subject to payment of amounts into the Build Illinois  
29 Fund, the McCormick Place Expansion Project Fund, and the  
30 Local Government Distributive Fund pursuant to the preceding  
31 paragraphs or in any amendments thereto hereafter enacted,  
32 beginning July 1, 1993, the Department shall each month pay  
33 into the Illinois Tax Increment Fund 0.27% of 80% of the net  
34 revenue realized for the preceding month from the 6.25%

1 general rate on the selling price of tangible personal  
2 property.

3 Remaining moneys received by the Department pursuant to  
4 this Act shall be paid into the General Revenue Fund of the  
5 State Treasury.

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

29 If the annual information return required by this Section  
30 is not filed when and as required, the taxpayer shall be  
31 liable as follows:

32 (i) Until January 1, 1994, the taxpayer shall be  
33 liable for a penalty equal to 1/6 of 1% of the tax due  
34 from such taxpayer under this Act during the period to be

1 covered by the annual return for each month or fraction  
2 of a month until such return is filed as required, the  
3 penalty to be assessed and collected in the same manner  
4 as any other penalty provided for in this Act.

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

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

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

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

28 Net revenue realized for a month shall be the revenue  
29 collected by the State pursuant to this Act, less the amount  
30 paid out during that month as refunds to taxpayers for  
31 overpayment of liability.

32 For greater simplicity of administration, it shall be  
33 permissible for manufacturers, importers and wholesalers  
34 whose products are sold by numerous servicemen in Illinois,



1 and who wish to do so, to assume the responsibility for  
2 accounting and paying to the Department all tax accruing  
3 under this Act with respect to such sales, if the servicemen  
4 who are affected do not make written objection to the  
5 Department to this arrangement.

6 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,  
7 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;  
8 91-872, eff. 7-1-00.)

9 Section 65. The Retailers' Occupation Tax Act is amended  
10 by changing Section 3 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  
14 engaged in the business of selling tangible personal property  
15 at retail in this State during the preceding calendar month  
16 shall file a 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  
24 the preceding calendar month or quarter, as the case may  
25 be, from sales of tangible personal property, and from  
26 services furnished, by him during such preceding calendar  
27 month or quarter;
- 28 4. Total amount received by him during the  
29 preceding calendar month or quarter on charge and time  
30 sales of tangible personal property, and from services  
31 furnished, by him prior to the month or quarter for which  
32 the return is filed;

- 1           5. Deductions allowed by law;
- 2           6. Gross receipts which were received by him during
- 3           the preceding calendar month or quarter and upon the
- 4           basis of which the tax is imposed;
- 5           7. The amount of credit provided in Section 2d of
- 6           this Act;
- 7           8. The amount of tax due;
- 8           9. The signature of the taxpayer; and
- 9           10. Such other reasonable information as the
- 10          Department may require.

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

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

18          A retailer may accept a Manufacturer's Purchase Credit  
19          certification from a purchaser in satisfaction of Use Tax as  
20          provided in Section 3-85 of the Use Tax Act if the purchaser  
21          provides the appropriate documentation as required by Section  
22          3-85 of the Use Tax Act. A Manufacturer's Purchase Credit  
23          certification, accepted by a retailer as provided in Section  
24          3-85 of the Use Tax Act, may be used by that retailer to  
25          satisfy Retailers' Occupation Tax liability in the amount  
26          claimed in the certification, not to exceed 6.25% of the  
27          receipts subject to tax from a qualifying purchase.

28          The Department may require returns to be filed on a  
29          quarterly basis. If so required, a return for each calendar  
30          quarter shall be filed on or before the twentieth day of the  
31          calendar month following the end of such calendar quarter.  
32          The taxpayer shall also file a return with the Department for  
33          each of the first two months of each calendar quarter, on or  
34          before the twentieth day of the following calendar month,

1 stating:

- 2 1. The name of the seller;
- 3 2. The address of the principal place of business  
4 from 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  
7 him during the preceding calendar month from sales of  
8 tangible personal property by him during such preceding  
9 calendar month, including receipts from charge and time  
10 sales, but less all deductions allowed by law;
- 11 4. The amount of credit provided in Section 2d of  
12 this Act;
- 13 5. The amount of tax due; and
- 14 6. Such other reasonable information as the  
15 Department may require.

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

20 Beginning October 1, 1993, a taxpayer who has an average  
21 monthly tax liability of \$150,000 or more shall make all  
22 payments required by rules of the Department by electronic  
23 funds transfer. Beginning October 1, 1994, a taxpayer who  
24 has an average monthly tax liability of \$100,000 or more  
25 shall make all payments required by rules of the Department  
26 by electronic funds transfer. Beginning October 1, 1995, a  
27 taxpayer who has an average monthly tax liability of \$50,000  
28 or more shall make all payments required by rules of the  
29 Department by electronic funds transfer. Beginning October  
30 1, 2000, a taxpayer who has an annual tax liability of  
31 \$200,000 or more shall make all payments required by rules of  
32 the Department by electronic funds transfer. The term  
33 "annual tax liability" shall be the sum of the taxpayer's  
34 liabilities under this Act, and under all other State and

1 local occupation and use tax laws administered by the  
2 Department, for the immediately preceding calendar year. The  
3 term "average monthly tax liability" shall be the sum of the  
4 taxpayer's liabilities under this Act, and under all other  
5 State and local occupation and use tax laws administered by  
6 the Department, for the immediately preceding calendar year  
7 divided by 12.

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

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

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

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

24 Any amount which is required to be shown or reported on  
25 any return or other document under this Act shall, if such  
26 amount is not a whole-dollar amount, be increased to the  
27 nearest whole-dollar amount in any case where the fractional  
28 part of a dollar is 50 cents or more, and decreased to the  
29 nearest whole-dollar amount where the fractional part of a  
30 dollar is less than 50 cents.

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

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

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

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

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

24 Where the same person has more than one business  
25 registered with the Department under separate registrations  
26 under this Act, such person may not file each return that is  
27 due as a single return covering all such registered  
28 businesses, but shall file separate returns for each such  
29 registered business.

30 In addition, with respect to motor vehicles, watercraft,  
31 aircraft, and trailers that are required to be registered  
32 with an agency of this State, every retailer selling this  
33 kind of tangible personal property shall file, with the  
34 Department, upon a form to be prescribed and supplied by the

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

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

28 The transaction reporting return, in the case of motor  
29 vehicles or trailers that are required to be registered with  
30 an agency of this State, shall be the same document as the  
31 Uniform Invoice referred to in Section 5-402 of The Illinois  
32 Vehicle Code and must show the name and address of the  
33 seller; the name and address of the purchaser; the amount of  
34 the selling price including the amount allowed by the

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

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

32 Such transaction reporting return shall be filed not  
33 later than 20 days after the day of delivery of the item that  
34 is being sold, but may be filed by the retailer at any time

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

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

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

31 If the user who would otherwise pay tax to the retailer  
32 wants the transaction reporting return filed and the payment  
33 of the tax or proof of exemption made to the Department  
34 before the retailer is willing to take these actions and such



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

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

25 Where the seller is a corporation, the return filed on  
26 behalf of such corporation shall be signed by the president,  
27 vice-president, secretary or treasurer or by the properly  
28 accredited agent of such corporation.

29 Where the seller is a limited liability company, the  
30 return filed on behalf of the limited liability company shall  
31 be signed by a manager, member, or properly accredited agent  
32 of the limited liability company.

33 Except as provided in this Section, the retailer filing  
34 the return under this Section shall, at the time of filing

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

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

1 make payment to the Department on or before the 7th, 15th,  
2 22nd and last day of the month during which such liability is  
3 incurred. If the month during which such tax liability is  
4 incurred began prior to January 1, 1985, each payment shall  
5 be in an amount equal to 1/4 of the taxpayer's actual  
6 liability for the month or an amount set by the Department  
7 not to exceed 1/4 of the average monthly liability of the  
8 taxpayer to the Department for the preceding 4 complete  
9 calendar quarters (excluding the month of highest liability  
10 and the month of lowest liability in such 4 quarter period).  
11 If the month during which such tax liability is incurred  
12 begins on or after January 1, 1985 and prior to January 1,  
13 1987, each payment shall be in an amount equal to 22.5% of  
14 the taxpayer's actual liability for the month or 27.5% of the  
15 taxpayer's liability for the same calendar month of the  
16 preceding year. If the month during which such tax liability  
17 is incurred begins on or after January 1, 1987 and prior to  
18 January 1, 1988, each payment shall be in an amount equal to  
19 22.5% of the taxpayer's actual liability for the month or  
20 26.25% of the taxpayer's liability for the same calendar  
21 month of the preceding year. If the month during which such  
22 tax liability is incurred begins on or after January 1, 1988,  
23 and prior to January 1, 1989, or begins on or after January  
24 1, 1996, each payment shall be in an amount equal to 22.5% of  
25 the taxpayer's actual liability for the month or 25% of the  
26 taxpayer's liability for the same calendar month of the  
27 preceding year. If the month during which such tax liability  
28 is incurred begins on or after January 1, 1989, and prior to  
29 January 1, 1996, each payment shall be in an amount equal to  
30 22.5% of the taxpayer's actual liability for the month or 25%  
31 of the taxpayer's liability for the same calendar month of  
32 the preceding year or 100% of the taxpayer's actual liability  
33 for the quarter monthly reporting period. The amount of such  
34 quarter monthly payments shall be credited against the final

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

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

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

1 during which such tax liability is incurred begins on or  
2 after January 1, 1987, each payment shall be in an amount  
3 equal to 22.5% of the taxpayer's actual liability for the  
4 month or 26.25% of the taxpayer's liability for the same  
5 calendar month of the preceding year. The amount of such  
6 quarter monthly payments shall be credited against the final  
7 tax liability of the taxpayer's return for that month filed  
8 under this Section or Section 2f, as the case may be. Once  
9 applicable, the requirement of the making of quarter monthly  
10 payments to the Department pursuant to this paragraph shall  
11 continue until such taxpayer's average monthly prepaid tax  
12 collections during the preceding 2 complete calendar quarters  
13 is \$25,000 or less. If any such quarter monthly payment is  
14 not paid at the time or in the amount required, the taxpayer  
15 shall be liable for penalties and interest on such  
16 difference, except insofar as the taxpayer has previously  
17 made payments for that month in excess of the minimum  
18 payments 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.  
25 The credit evidenced by such credit memorandum may be  
26 assigned by the taxpayer to a similar taxpayer under this  
27 Act, the Use Tax Act, the Service Occupation Tax Act or the  
28 Service Use Tax Act, in accordance with reasonable rules and  
29 regulations to be prescribed by the Department. If no such  
30 request is made, the taxpayer may credit such excess payment  
31 against tax liability subsequently to be remitted to the  
32 Department under this Act, the Use Tax Act, the Service  
33 Occupation Tax Act or the Service Use Tax Act, in accordance  
34 with reasonable rules and regulations prescribed by the

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

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

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

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

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

32 Beginning January 1, 1990, each month the Department  
33 shall pay into the Local Government Tax Fund 16% of the net  
34 revenue realized for the preceding month from the 6.25%

1 general rate on the selling price of tangible personal  
2 property.

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

7 Beginning August 1, 2001, each month the Department shall  
8 pay into the General Obligation Bond Retirement and Interest  
9 Fund 80% of the net revenue realized for the preceding month  
10 from the 6.25% general rate on the selling price of coal  
11 until the Bureau of the Budget certifies to the Department  
12 that the amount that will be necessary to finance the  
13 principal of, interest on, and premium, if any, on the  
14 \$500,000,000 in additional general obligation bonds  
15 authorized to be issued under this amendatory Act of the 92nd  
16 General Assembly for coal development has been paid into that  
17 Fund.

18 Of the remainder of the moneys received by the Department  
19 pursuant to this Act, (a) 1.75% thereof shall be paid into  
20 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%  
21 and on and after July 1, 1989, 3.8% thereof shall be paid  
22 into the Build Illinois Fund; provided, however, that if in  
23 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,  
24 as the case may be, of the moneys received by the Department  
25 and required to be paid into the Build Illinois Fund pursuant  
26 to this Act, Section 9 of the Use Tax Act, Section 9 of the  
27 Service Use Tax Act, and Section 9 of the Service Occupation  
28 Tax Act, such Acts being hereinafter called the "Tax Acts"  
29 and such aggregate of 2.2% or 3.8%, as the case may be, of  
30 moneys being hereinafter called the "Tax Act Amount", and (2)  
31 the amount transferred to the Build Illinois Fund from the  
32 State and Local Sales Tax Reform Fund shall be less than the  
33 Annual Specified Amount (as hereinafter defined), an amount  
34 equal to the difference shall be immediately paid into the



1 Build Illinois Fund from other moneys received by the  
 2 Department pursuant to the Tax Acts; the "Annual Specified  
 3 Amount" means the amounts specified below for fiscal years  
 4 1986 through 1993:

5	Fiscal Year	Annual Specified Amount
6	1986	\$54,800,000
7	1987	\$76,650,000
8	1988	\$80,480,000
9	1989	\$88,510,000
10	1990	\$115,330,000
11	1991	\$145,470,000
12	1992	\$182,730,000
13	1993	\$206,520,000;

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

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

30 Subject to payment of amounts into the Build Illinois  
31 Fund as provided in the preceding paragraph or in any  
32 amendment thereto hereafter enacted, the following specified  
33 monthly installment of the amount requested in the  
34 certificate of the Chairman of the Metropolitan Pier and

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

9	Fiscal Year	Total Deposit
10	1993	\$0
11	1994	53,000,000
12	1995	58,000,000
13	1996	61,000,000
14	1997	64,000,000
15	1998	68,000,000
16	1999	71,000,000
17	2000	75,000,000
18	2001	80,000,000
19	2002	84,000,000
20	2003	89,000,000
21	2004	93,000,000
22	2005	97,000,000
23	2006	102,000,000
24	2007	108,000,000
25	2008	115,000,000
26	2009	120,000,000
27	2010	126,000,000
28	2011	132,000,000
29	2012	138,000,000
30	2013 and	145,000,000

31 each fiscal year  
 32 thereafter that bonds  
 33 are outstanding under  
 34 Section 13.2 of the

1 Metropolitan Pier and  
2 Exposition Authority  
3 Act, but not after fiscal year 2029.

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

17 Subject to payment of amounts into the Build Illinois  
18 Fund and the McCormick Place Expansion Project Fund pursuant  
19 to the preceding paragraphs or in any amendment thereto  
20 hereafter enacted, each month the Department shall pay into  
21 the Local Government Distributive Fund 0.4% of the net  
22 revenue realized for the preceding month from the 5% general  
23 rate or 0.4% of 80% of the net revenue realized for the  
24 preceding month from the 6.25% general rate, as the case may  
25 be, on the selling price of tangible personal property which  
26 amount shall, subject to appropriation, be distributed as  
27 provided in Section 2 of the State Revenue Sharing Act. No  
28 payments or distributions pursuant to this paragraph shall be  
29 made if the tax imposed by this Act on photoprocessing  
30 products is declared unconstitutional, or if the proceeds  
31 from such tax are unavailable for distribution because of  
32 litigation.

33 Subject to payment of amounts into the Build Illinois  
34 Fund, the McCormick Place Expansion Project to the preceding

1 paragraphs or in any amendments thereto hereafter enacted,  
2 beginning July 1, 1993, the Department shall each month pay  
3 into the Illinois Tax Increment Fund 0.27% of 80% of the net  
4 revenue realized for the preceding month from the 6.25%  
5 general rate on the selling price of tangible personal  
6 property.

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

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

1 as provided for in this Section.

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

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

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

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

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

27 As soon as possible after the first day of each month,  
28 upon certification of the Department of Revenue, the  
29 Comptroller shall order transferred and the Treasurer shall  
30 transfer from the General Revenue Fund to the Motor Fuel Tax  
31 Fund an amount equal to 1.7% of 80% of the net revenue  
32 realized under this Act for the second preceding month.  
33 Beginning April 1, 2000, this transfer is no longer required  
34 and shall not be made.

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

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

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

29 Any person engaged in the business of selling tangible  
30 personal property at retail as a concessionaire or other type  
31 of seller at the Illinois State Fair, county fairs, art  
32 shows, flea markets and similar exhibitions or events, or any  
33 transient merchants, as defined by Section 2 of the Transient  
34 Merchant Act of 1987, may be required to make a daily report

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

16 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;  
17 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.  
18 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,  
19 eff. 1-1-01; revised 8-30-00.)

20 Section 99. Effective date. This Act takes effect July  
21 1, 2001.



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INDEX

Statutes amended in order of appearance

New Act

- 20 ILCS 1110/6 from Ch. 96 1/2, par. 4106
- 30 ILCS 105/5.545 new
- 30 ILCS 330/2 from Ch. 127, par. 652
- 30 ILCS 330/7 from Ch. 127, par. 657
- 35 ILCS 105/9 from Ch. 120, par. 439.9
- 35 ILCS 110/9 from Ch. 120, par. 439.39
- 35 ILCS 115/9 from Ch. 120, par. 439.109
- 35 ILCS 120/3 from Ch. 120, par. 442