

1 AN ACT concerning coal.

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

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

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

7 Sec. 6z-18. A portion of the money paid into the Local  
8 Government Tax Fund from sales of food for human consumption  
9 which is to be consumed off the premises where it is sold  
10 (other than alcoholic beverages, soft drinks and food which  
11 has been prepared for immediate consumption) and prescription  
12 and nonprescription medicines, drugs, medical appliances and  
13 insulin, urine testing materials, syringes and needles used  
14 by diabetics, which occurred in municipalities, shall be  
15 distributed to each municipality based upon the sales which  
16 occurred in that municipality. The remainder shall be  
17 distributed to each county based upon the sales which  
18 occurred in the unincorporated area of that county.

19 A portion of the money paid into the Local Government Tax  
20 Fund from the 6.25% general use tax rate on the selling price  
21 of tangible personal property which is purchased outside  
22 Illinois at retail from a retailer and which is titled or  
23 registered by any agency of this State's government shall be  
24 distributed to municipalities as provided in this paragraph.  
25 Each municipality shall receive the amount attributable to  
26 sales for which Illinois addresses for titling or  
27 registration purposes are given as being in such  
28 municipality. The remainder of the money paid into the Local  
29 Government Tax Fund from such sales shall be distributed to  
30 counties. Each county shall receive the amount attributable  
31 to sales for which Illinois addresses for titling or

1 registration purposes are given as being located in the  
2 unincorporated area of such county.

3 A portion of the money paid into the Local Government Tax  
4 Fund from the 6.25% general rate (and, beginning July 1, 2000  
5 and through December 31, 2000, the 1.25% rate on motor fuel  
6 and gasohol, and, beginning January 1, 2002 and through  
7 December 31, 2006, the 1.25% rate on coal) on sales subject  
8 to taxation under the Retailers' Occupation Tax Act and the  
9 Service Occupation Tax Act, which occurred in municipalities,  
10 shall be distributed to each municipality, based upon the  
11 sales which occurred in that municipality. The remainder  
12 shall be distributed to each county, based upon the sales  
13 which occurred in the unincorporated area of such county.

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

23 Whenever the Department determines that a refund of money  
24 paid into the Local Government Tax Fund should be made to a  
25 claimant instead of issuing a credit memorandum, the  
26 Department shall notify the State Comptroller, who shall  
27 cause the order to be drawn for the amount specified, and to  
28 the person named, in such notification from the Department.  
29 Such refund shall be paid by the State Treasurer out of the  
30 Local Government Tax Fund.

31 On or before the 25th day of each calendar month, the  
32 Department shall prepare and certify to the Comptroller the  
33 disbursement of stated sums of money to named municipalities  
34 and counties, the municipalities and counties to be those

1 entitled to distribution of taxes or penalties paid to the  
2 Department during the second preceding calendar month. The  
3 amount to be paid to each municipality or county shall be the  
4 amount (not including credit memoranda) collected during the  
5 second preceding calendar month by the Department and paid  
6 into the Local Government Tax Fund, plus an amount the  
7 Department determines is necessary to offset any amounts  
8 which were erroneously paid to a different taxing body, and  
9 not including an amount equal to the amount of refunds made  
10 during the second preceding calendar month by the Department,  
11 and not including any amount which the Department determines  
12 is necessary to offset any amounts which are payable to a  
13 different taxing body but were erroneously paid to the  
14 municipality or county. Within 10 days after receipt, by the  
15 Comptroller, of the disbursement certification to the  
16 municipalities and counties, provided for in this Section to  
17 be given to the Comptroller by the Department, the  
18 Comptroller shall cause the orders to be drawn for the  
19 respective amounts in accordance with the directions  
20 contained in such certification.

21 When certifying the amount of monthly disbursement to a  
22 municipality or county under this Section, the Department  
23 shall increase or decrease that amount by an amount necessary  
24 to offset any misallocation of previous disbursements. The  
25 offset amount shall be the amount erroneously disbursed  
26 within the 6 months preceding the time a misallocation is  
27 discovered.

28 The provisions directing the distributions from the  
29 special fund in the State Treasury provided for in this  
30 Section shall constitute an irrevocable and continuing  
31 appropriation of all amounts as provided herein. The State  
32 Treasurer and State Comptroller are hereby authorized to make  
33 distributions as provided in this Section.

34 In construing any development, redevelopment, annexation,

1 preannexation or other lawful agreement in effect prior to  
2 September 1, 1990, which describes or refers to receipts from  
3 a county or municipal retailers' occupation tax, use tax or  
4 service occupation tax which now cannot be imposed, such  
5 description or reference shall be deemed to include the  
6 replacement revenue for such abolished taxes, distributed  
7 from the Local Government Tax Fund.

8 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99;  
9 91-872, eff. 7-1-00.)

10 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)  
11 Sec. 6z-20. Of the money received from the 6.25% general  
12 rate (and, beginning July 1, 2000 and through December 31,  
13 2000, the 1.25% rate on motor fuel and gasohol, and,  
14 beginning January 1, 2002 and through December 31, 2006, the  
15 1.25% rate on coal) on sales subject to taxation under the  
16 Retailers' Occupation Tax Act and Service Occupation Tax Act  
17 and paid into the County and Mass Transit District Fund,  
18 distribution to the Regional Transportation Authority tax  
19 fund, created pursuant to Section 4.03 of the Regional  
20 Transportation Authority Act, for deposit therein shall be  
21 made based upon the retail sales occurring in a county having  
22 more than 3,000,000 inhabitants. The remainder shall be  
23 distributed to each county having 3,000,000 or fewer  
24 inhabitants based upon the retail sales occurring in each  
25 such county.

26 For the purpose of determining allocation to the local  
27 government unit, a retail sale by a producer of coal or other  
28 mineral mined in Illinois is a sale at retail at the place  
29 where the coal or other mineral mined in Illinois is  
30 extracted from the earth. This paragraph does not apply to  
31 coal or other mineral when it is delivered or shipped by the  
32 seller to the purchaser at a point outside Illinois so that  
33 the sale is exempt under the United States Constitution as a

1 sale in interstate or foreign commerce.

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

21 Whenever the Department determines that a refund of money  
22 paid into the County and Mass Transit District Fund should be  
23 made to a claimant instead of issuing a credit memorandum,  
24 the Department shall notify the State Comptroller, who shall  
25 cause the order to be drawn for the amount specified, and to  
26 the person named, in such notification from the Department.  
27 Such refund shall be paid by the State Treasurer out of the  
28 County and Mass Transit District Fund.

29 On or before the 25th day of each calendar month, the  
30 Department shall prepare and certify to the Comptroller the  
31 disbursement of stated sums of money to the Regional  
32 Transportation Authority and to named counties, the counties  
33 to be those entitled to distribution, as hereinabove  
34 provided, of taxes or penalties paid to the Department during

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

22 When certifying the amount of a monthly disbursement to  
23 the Regional Transportation Authority or to a county under  
24 this Section, the Department shall increase or decrease that  
25 amount by an amount necessary to offset any misallocation of  
26 previous disbursements. The offset amount shall be the  
27 amount erroneously disbursed within the 6 months preceding  
28 the time a misallocation is discovered.

29 The provisions directing the distributions from the  
30 special fund in the State Treasury provided for in this  
31 Section and from the Regional Transportation Authority tax  
32 fund created by Section 4.03 of the Regional Transportation  
33 Authority Act shall constitute an irrevocable and continuing  
34 appropriation of all amounts as provided herein. The State

1 Treasurer and State Comptroller are hereby authorized to make  
2 distributions as provided in this Section.

3 In construing any development, redevelopment, annexation,  
4 preannexation or other lawful agreement in effect prior to  
5 September 1, 1990, which describes or refers to receipts from  
6 a county or municipal retailers' occupation tax, use tax or  
7 service occupation tax which now cannot be imposed, such  
8 description or reference shall be deemed to include the  
9 replacement revenue for such abolished taxes, distributed  
10 from the County and Mass Transit District Fund or Local  
11 Government Distributive Fund, as the case may be.

12 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

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

15 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

16 Sec. 3-10. Rate of tax. Unless otherwise provided in  
17 this Section, the tax imposed by this Act is at the rate of  
18 6.25% of either the selling price or the fair market value,  
19 if any, of the tangible personal property. In all cases  
20 where property functionally used or consumed is the same as  
21 the property that was purchased at retail, then the tax is  
22 imposed on the selling price of the property. In all cases  
23 where property functionally used or consumed is a by-product  
24 or waste product that has been refined, manufactured, or  
25 produced from property purchased at retail, then the tax is  
26 imposed on the lower of the fair market value, if any, of the  
27 specific property so used in this State or on the selling  
28 price of the property purchased at retail. For purposes of  
29 this Section "fair market value" means the price at which  
30 property would change hands between a willing buyer and a  
31 willing seller, neither being under any compulsion to buy or  
32 sell and both having reasonable knowledge of the relevant

1 facts. The fair market value shall be established by Illinois  
2 sales by the taxpayer of the same property as that  
3 functionally used or consumed, or if there are no such sales  
4 by the taxpayer, then comparable sales or purchases of  
5 property of like kind and character in Illinois.

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

10 With respect to gasohol, the tax imposed by this Act  
11 applies to 70% of the proceeds of sales made on or after  
12 January 1, 1990, and before July 1, 2003, and to 100% of the  
13 proceeds of sales made thereafter.

14 Beginning on January 1, 2002 and through December 31,  
15 2006, with respect to coal for use in this State, the tax is  
16 imposed at the rate of 1.25%.

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



1 the Grade A Pasteurized Milk and Milk Products Act, or drinks  
2 containing 50% or more natural fruit or vegetable juice.

3 Notwithstanding any other provisions of this Act, "food  
4 for human consumption that is to be consumed off the premises  
5 where it is sold" includes all food sold through a vending  
6 machine, except soft drinks and food products that are  
7 dispensed hot from a vending machine, regardless of the  
8 location of the vending machine.

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

16 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
17 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

18 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 taken with each such tax remittance instead of when such  
2 retailer files his periodic return. A retailer need not  
3 remit that part of any tax collected by him to the extent  
4 that he is required to remit and does remit the tax imposed  
5 by the Retailers' Occupation Tax Act, with respect to the  
6 sale of the same property.

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

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

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

- 31 1. The name of the seller;
- 32 2. The address of the principal place of business  
33 from which he engages in the business of selling tangible  
34 personal property at retail in this State;

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

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

8           5. The amount of tax due;

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

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

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

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

1 State and local occupation and use tax laws administered by  
2 the Department, for the immediately preceding calendar year  
3 divided by 12.

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

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

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

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

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

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

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

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

16 If any such payment provided for in this Section exceeds  
17 the taxpayer's liabilities under this Act, the Retailers'  
18 Occupation Tax Act, the Service Occupation Tax Act and the  
19 Service Use Tax Act, as shown by an original monthly return,  
20 the Department shall issue to the taxpayer a credit  
21 memorandum no later than 30 days after the date of payment,  
22 which memorandum may be submitted by the taxpayer to the  
23 Department in payment of tax liability subsequently to be  
24 remitted by the taxpayer to the Department or be assigned by  
25 the taxpayer to a similar taxpayer under this Act, the  
26 Retailers' Occupation Tax Act, the Service Occupation Tax Act  
27 or the Service Use Tax Act, in accordance with reasonable  
28 rules and regulations to be prescribed by the Department,  
29 except that if such excess payment is shown on an original  
30 monthly return and is made after December 31, 1986, no credit  
31 memorandum shall be issued, unless requested by the taxpayer.  
32 If no such request is made, the taxpayer may credit such  
33 excess payment against tax liability subsequently to be  
34 remitted by the taxpayer to the Department under this Act,

1 the Retailers' Occupation Tax Act, the Service Occupation Tax  
2 Act or the Service Use Tax Act, in accordance with reasonable  
3 rules and regulations prescribed by the Department. If the  
4 Department subsequently determines that all or any part of  
5 the credit taken was not actually due to the taxpayer, the  
6 taxpayer's 2.1% or 1.75% vendor's discount shall be reduced  
7 by 2.1% or 1.75% of the difference between the credit taken  
8 and that actually due, and the taxpayer shall be liable for  
9 penalties and interest on such difference.

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

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

27 Such quarter annual and annual returns, as to form and  
28 substance, shall be subject to the same requirements as  
29 monthly returns.

30 Notwithstanding any other provision in this Act  
31 concerning the time within which a retailer may file his  
32 return, in the case of any retailer who ceases to engage in a  
33 kind of business which makes him responsible for filing  
34 returns under this Act, such retailer shall file a final



1 return under this Act with the Department not more than one  
2 month after discontinuing such business.

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

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

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

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

30 Such transaction reporting return shall be filed not  
31 later than 20 days after the date of delivery of the item  
32 that is being sold, but may be filed by the retailer at any  
33 time sooner than that if he chooses to do so. The  
34 transaction reporting return and tax remittance or proof of

1 exemption from the tax that is imposed by this Act may be  
2 transmitted to the Department by way of the State agency with  
3 which, or State officer with whom, the tangible personal  
4 property must be titled or registered (if titling or  
5 registration is required) if the Department and such agency  
6 or State officer determine that this procedure will expedite  
7 the processing of applications for title or registration.

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

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

29 If the user who would otherwise pay tax to the retailer  
30 wants the transaction reporting return filed and the payment  
31 of tax or proof of exemption made to the Department before  
32 the retailer is willing to take these actions and such user  
33 has not paid the tax to the retailer, such user may certify  
34 to the fact of such delay by the retailer, and may (upon the

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

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

30 Any retailer filing a return under this Section shall  
31 also include (for the purpose of paying tax thereon) the  
32 total tax covered by such return upon the selling price of  
33 tangible personal property purchased by him at retail from a  
34 retailer, but as to which the tax imposed by this Act was not

1 collected from the retailer filing such return, and such  
2 retailer shall remit the amount of such tax to the Department  
3 when filing such return.

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

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

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

27 Beginning January 1, 1990, each month the Department  
28 shall pay into the County and Mass Transit District Fund 4%  
29 of the net revenue realized for the preceding month from the  
30 6.25% general rate on the selling price of tangible personal  
31 property which is purchased outside Illinois at retail from a  
32 retailer and which is titled or registered by an agency of  
33 this State's government.

34 Beginning January 1, 1990, each month the Department

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

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

12 Beginning February 1, 2002, each month the Department  
13 shall pay into the State and Local Sales Tax Reform Fund 100%  
14 of the net revenue realized for the preceding month from the  
15 1.25% rate on the selling price of coal for use in this  
16 State.

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

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

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

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

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



1	Fiscal Year	Total Deposit
2	1993	\$0
3	1994	53,000,000
4	1995	58,000,000
5	1996	61,000,000
6	1997	64,000,000
7	1998	68,000,000
8	1999	71,000,000
9	2000	75,000,000
10	2001	80,000,000
11	2002	84,000,000
12	2003	89,000,000
13	2004	93,000,000
14	2005	97,000,000
15	2006	102,000,000
16	2007	108,000,000
17	2008	115,000,000
18	2009	120,000,000
19	2010	126,000,000
20	2011	132,000,000
21	2012	138,000,000
22	2013 and	145,000,000

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

30 Beginning July 20, 1993 and in each month of each fiscal  
31 year thereafter, one-eighth of the amount requested in the  
32 certificate of the Chairman of the Metropolitan Pier and  
33 Exposition Authority for that fiscal year, less the amount  
34 deposited into the McCormick Place Expansion Project Fund by

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

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

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

33 Of the remainder of the moneys received by the Department  
34 pursuant to this Act, 75% thereof shall be paid into the

1 State Treasury and 25% shall be reserved in a special account  
2 and used only for the transfer to the Common School Fund as  
3 part of the monthly transfer from the General Revenue Fund in  
4 accordance with Section 8a of the State Finance Act.

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

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

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

24 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;  
25 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.  
26 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,  
27 eff. 1-1-01; revised 8-30-00.)

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

30 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

31 Sec. 3-10. Rate of tax. Unless otherwise provided in  
32 this Section, the tax imposed by this Act is at the rate of

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

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

10 With respect to gasohol, as defined in the Use Tax Act,  
11 the tax imposed by this Act applies to 70% of the selling  
12 price of property transferred as an incident to the sale of  
13 service on or after January 1, 1990, and before July 1, 2003,  
14 and to 100% of the selling price thereafter.

15 Beginning on January 1, 2002 and through December 31,  
16 2006, with respect to coal for use in this State, the tax is  
17 imposed at the rate of 1.25%.

18 At the election of any registered serviceman made for  
19 each fiscal year, sales of service in which the aggregate  
20 annual cost price of tangible personal property transferred  
21 as an incident to the sales of service is less than 35%, or  
22 75% in the case of servicemen transferring prescription drugs  
23 or servicemen engaged in graphic arts production, of the  
24 aggregate annual total gross receipts from all sales of  
25 service, the tax imposed by this Act shall be based on the  
26 serviceman's cost price of the tangible personal property  
27 transferred as an incident to the sale of those services.

28 The tax shall be imposed at the rate of 1% on food  
29 prepared for immediate consumption and transferred incident  
30 to a sale of service subject to this Act or the Service  
31 Occupation Tax Act by an entity licensed under the Hospital  
32 Licensing Act, the Nursing Home Care Act, or the Child Care  
33 Act of 1969. The tax shall also be imposed at the rate of 1%  
34 on food for human consumption that is to be consumed off the

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

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

26 If the property that is acquired from a serviceman is  
27 acquired outside Illinois and used outside Illinois before  
28 being brought to Illinois for use here and is taxable under  
29 this Act, the "selling price" on which the tax is computed  
30 shall be reduced by an amount that represents a reasonable  
31 allowance for depreciation for the period of prior  
32 out-of-state use.

33 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
34 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff.

1 7-1-00.)

2 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

3 Sec. 9. Each serviceman required or authorized to  
 4 collect the tax herein imposed shall pay to the Department  
 5 the amount of such tax (except as otherwise provided) at the  
 6 time when he is required to file his return for the period  
 7 during which such tax was collected, less a discount of 2.1%  
 8 prior to January 1, 1990 and 1.75% on and after January 1,  
 9 1990, or \$5 per calendar year, whichever is greater, which is  
 10 allowed to reimburse the serviceman for expenses incurred in  
 11 collecting the tax, keeping records, preparing and filing  
 12 returns, remitting the tax and supplying data to the  
 13 Department on request. A serviceman need not remit that part  
 14 of any tax collected by him to the extent that he is required  
 15 to pay and does pay the tax imposed by the Service Occupation  
 16 Tax Act with respect to his sale of service involving the  
 17 incidental transfer by him of the same property.

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

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

- 33 1. The name of the seller;

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

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

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

10          5. The amount of tax due;

11          5-5. The signature of the taxpayer; and

12          6. Such other reasonable information as the  
13 Department may require.

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

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

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

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

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

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

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

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

33 If the serviceman is otherwise required to file a monthly  
34 or quarterly return and if the serviceman's average monthly



1 tax liability to the Department does not exceed \$50, the  
2 Department may authorize his returns to be filed on an annual  
3 basis, with the return for a given year being due by January  
4 20 of the following year.

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

8 Notwithstanding any other provision in this Act  
9 concerning the time within which a serviceman may file his  
10 return, in the case of any serviceman who ceases to engage in  
11 a kind of business which makes him responsible for filing  
12 returns under this Act, such serviceman shall file a final  
13 return under this Act with the Department not more than 1  
14 month after discontinuing such business.

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

32 Any serviceman filing a return hereunder shall also  
33 include the total tax upon the selling price of tangible  
34 personal property purchased for use by him as an incident to

1 a sale of service, and such serviceman shall remit the amount  
2 of such tax to the Department when filing such return.

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

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

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

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

33 Beginning August 1, 2000, each month the Department shall  
34 pay into the State and Local Sales Tax Reform Fund 100% of

1 the net revenue realized for the preceding month from the  
2 1.25% rate on the selling price of motor fuel and gasohol.

3 Beginning February 1, 2002, each month the Department  
4 shall pay into the State and Local Sales Tax Reform Fund 100%  
5 of the net revenue realized for the preceding month from the  
6 1.25% rate on the selling price of coal for use in this  
7 State.

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

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

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

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

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

1	2008	115,000,000
2	2009	120,000,000
3	2010	126,000,000
4	2011	132,000,000
5	2012	138,000,000
6	2013 and	145,000,000

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

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

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

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

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

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

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

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

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

1 91-872, eff. 7-1-00.)

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

4 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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

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

27 With respect to gasohol, as defined in the Use Tax Act,  
28 the tax imposed by this Act shall apply to 70% of the cost  
29 price of property transferred as an incident to the sale of  
30 service on or after January 1, 1990, and before July 1, 2003,  
31 and to 100% of the cost price thereafter.

32 Beginning on January 1, 2002 and through December 31,



1 2006, with respect to coal for use in this State, the tax is  
2 imposed at the rate of 1.25%.

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

13 The tax shall be imposed at the rate of 1% on food  
14 prepared for immediate consumption and transferred incident  
15 to a sale of service subject to this Act or the Service  
16 Occupation Tax Act by an entity licensed under the Hospital  
17 Licensing Act, the Nursing Home Care Act, or the Child Care  
18 Act of 1969. The tax shall also be imposed at the rate of 1%  
19 on food for human consumption that is to be consumed off the  
20 premises where it is sold (other than alcoholic beverages,  
21 soft drinks, and food that has been prepared for immediate  
22 consumption and is not otherwise included in this paragraph)  
23 and prescription and nonprescription medicines, drugs,  
24 medical appliances, modifications to a motor vehicle for the  
25 purpose of rendering it usable by a disabled person, and  
26 insulin, urine testing materials, syringes, and needles used  
27 by diabetics, for human use. For the purposes of this  
28 Section, the term "soft drinks" means any complete, finished,  
29 ready-to-use, non-alcoholic drink, whether carbonated or not,  
30 including but not limited to soda water, cola, fruit juice,  
31 vegetable juice, carbonated water, and all other preparations  
32 commonly known as soft drinks of whatever kind or description  
33 that are contained in any closed or sealed can, carton, or  
34 container, regardless of size. "Soft drinks" does not

1 include coffee, tea, non-carbonated water, infant formula,  
2 milk or milk products as defined in the Grade A Pasteurized  
3 Milk and Milk Products Act, or drinks containing 50% or more  
4 natural fruit or vegetable juice.

5 Notwithstanding any other provisions of this Act, "food  
6 for human consumption that is to be consumed off the premises  
7 where it is sold" includes all food sold through a vending  
8 machine, except soft drinks and food products that are  
9 dispensed hot from a vending machine, regardless of the  
10 location of the vending machine.

11 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
12 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

13 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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

25 Where such tangible personal property is sold under a  
26 conditional sales contract, or under any other form of sale  
27 wherein the payment of the principal sum, or a part thereof,  
28 is extended beyond the close of the period for which the  
29 return is filed, the serviceman, in collecting the tax may  
30 collect, for each tax return period, only the tax applicable  
31 to the part of the selling price actually received during  
32 such tax return period.

33 Except as provided hereinafter in this Section, on or

1 before the twentieth day of each calendar month, such  
2 serviceman shall file a return for the preceding calendar  
3 month in accordance with reasonable rules and regulations to  
4 be promulgated by the Department of Revenue. Such return  
5 shall be filed on a form prescribed by the Department and  
6 shall contain such information as the Department may  
7 reasonably require.

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

- 16 1. The name of the seller;
- 17 2. The address of the principal place of business  
18 from which he engages in business as a serviceman in this  
19 State;
- 20 3. The total amount of taxable receipts received by  
21 him during the preceding calendar month, including  
22 receipts from charge and time sales, but less all  
23 deductions allowed by law;
- 24 4. The amount of credit provided in Section 2d of  
25 this Act;
- 26 5. The amount of tax due;
- 27 5-5. The signature of the taxpayer; and
- 28 6. Such other reasonable information as the  
29 Department may require.

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

34 A serviceman may accept a Manufacturer's Purchase Credit

1 certification from a purchaser in satisfaction of Service Use  
2 Tax as provided in Section 3-70 of the Service Use Tax Act if  
3 the purchaser provides the appropriate documentation as  
4 required by Section 3-70 of the Service Use Tax Act. A  
5 Manufacturer's Purchase Credit certification, accepted by a  
6 serviceman as provided in Section 3-70 of the Service Use Tax  
7 Act, may be used by that serviceman to satisfy Service  
8 Occupation Tax liability in the amount claimed in the  
9 certification, not to exceed 6.25% of the receipts subject to  
10 tax from a qualifying purchase.

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

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

26 Such quarter annual and annual returns, as to form and  
27 substance, shall be subject to the same requirements as  
28 monthly returns.

29 Notwithstanding any other provision in this Act  
30 concerning the time within which a serviceman may file his  
31 return, in the case of any serviceman who ceases to engage in  
32 a kind of business which makes him responsible for filing  
33 returns under this Act, such serviceman shall file a final  
34 return under this Act with the Department not more than 1

1 month after discontinuing such business.

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

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

30       Any taxpayer not required to make payments by electronic  
31 funds transfer may make payments by electronic funds transfer  
32 with the permission of the Department.

33       All taxpayers required to make payment by electronic  
34 funds transfer and any taxpayers authorized to voluntarily

1 make payments by electronic funds transfer shall make those  
2 payments in the manner authorized by the Department.

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

6 Where a serviceman 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 serviceman refunds the selling price thereof  
10 to the purchaser, such serviceman 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 serviceman may deduct the amount of the  
14 tax so refunded by him to the purchaser from any other  
15 Service Occupation Tax, Service Use Tax, Retailers'  
16 Occupation Tax or Use Tax which such serviceman may be  
17 required to pay or remit to the Department, as shown by such  
18 return, provided that the amount of the tax to be deducted  
19 shall previously have been remitted to the Department by such  
20 serviceman. If the serviceman shall not previously have  
21 remitted the amount of such tax to the Department, he shall  
22 be entitled to no deduction hereunder upon refunding such tax  
23 to the purchaser.

24 If experience indicates such action to be practicable,  
25 the Department may prescribe and furnish a combination or  
26 joint return which will enable servicemen, who are required  
27 to file returns hereunder and also under the Retailers'  
28 Occupation Tax Act, the Use Tax Act or the Service Use Tax  
29 Act, to furnish all the return information required by all  
30 said Acts on the one form.

31 Where the serviceman has more than one business  
32 registered with the Department under separate registrations  
33 hereunder, such serviceman shall file separate returns for  
34 each registered business.

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

10           Beginning January 1, 1990, each month the Department  
11 shall pay into the County and Mass Transit District Fund 4%  
12 of the revenue realized for the preceding month from the  
13 6.25% general rate.

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

18           Beginning February 1, 2002, each month the Department  
19 shall pay into the County and Mass Transit District Fund 20%  
20 of the net revenue realized for the preceding month from the  
21 1.25% rate on the selling price of coal for use in this  
22 State.

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

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

31           Beginning February 1, 2002, each month the Department  
32 shall pay into the Local Government Tax Fund 80% of the net  
33 revenue realized for the preceding month from the 1.25% rate  
34 on the selling price of coal for use in this State.

1           Of the remainder of the moneys received by the Department  
2 pursuant to this Act, (a) 1.75% thereof shall be paid into  
3 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%  
4 and on and after July 1, 1989, 3.8% thereof shall be paid  
5 into the Build Illinois Fund; provided, however, that if in  
6 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,  
7 as the case may be, of the moneys received by the Department  
8 and required to be paid into the Build Illinois Fund pursuant  
9 to Section 3 of the Retailers' Occupation Tax Act, Section 9  
10 of the Use Tax Act, Section 9 of the Service Use Tax Act, and  
11 Section 9 of the Service Occupation Tax Act, such Acts being  
12 hereinafter called the "Tax Acts" and such aggregate of 2.2%  
13 or 3.8%, as the case may be, of moneys being hereinafter  
14 called the "Tax Act Amount", and (2) the amount transferred  
15 to the Build Illinois Fund from the State and Local Sales Tax  
16 Reform Fund shall be less than the Annual Specified Amount  
17 (as defined in Section 3 of the Retailers' Occupation Tax  
18 Act), an amount equal to the difference shall be immediately  
19 paid into the Build Illinois Fund from other moneys received  
20 by the Department pursuant to the Tax Acts; and further  
21 provided, that if on the last business day of any month the  
22 sum of (1) the Tax Act Amount required to be deposited into  
23 the Build Illinois Account in the Build Illinois Fund during  
24 such month and (2) the amount transferred during such month  
25 to the Build Illinois Fund from the State and Local Sales Tax  
26 Reform Fund shall have been less than 1/12 of the Annual  
27 Specified Amount, an amount equal to the difference shall be  
28 immediately paid into the Build Illinois Fund from other  
29 moneys received by the Department pursuant to the Tax Acts;  
30 and, further provided, that in no event shall the payments  
31 required under the preceding proviso result in aggregate  
32 payments into the Build Illinois Fund pursuant to this clause  
33 (b) for any fiscal year in excess of the greater of (i) the  
34 Tax Act Amount or (ii) the Annual Specified Amount for such



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

33 Subject to payment of amounts into the Build Illinois  
34 Fund as provided in the preceding paragraph or in any

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

12	Fiscal Year	Total Deposit
13	1993	\$0
14	1994	53,000,000
15	1995	58,000,000
16	1996	61,000,000
17	1997	64,000,000
18	1998	68,000,000
19	1999	71,000,000
20	2000	75,000,000
21	2001	80,000,000
22	2002	84,000,000
23	2003	89,000,000
24	2004	93,000,000
25	2005	97,000,000
26	2006	102,000,000
27	2007	108,000,000
28	2008	115,000,000
29	2009	120,000,000
30	2010	126,000,000
31	2011	132,000,000
32	2012	138,000,000
33	2013 and	145,000,000
34	each fiscal year	

1           thereafter that bonds  
2           are outstanding under  
3           Section 13.2 of the  
4           Metropolitan Pier and  
5           Exposition Authority  
6           Act, but not after fiscal year 2029.

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

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

1 litigation.

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

11 Remaining moneys received by the Department pursuant to  
12 this Act shall be paid into the General Revenue Fund of the  
13 State Treasury.

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

1 monthly, quarterly or annual returns filed by such taxpayer  
2 as hereinbefore provided for in this Section.

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

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

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

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

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

28 As soon as possible after the first day of each month,  
29 upon certification of the Department of Revenue, the  
30 Comptroller shall order transferred and the Treasurer shall  
31 transfer from the General Revenue Fund to the Motor Fuel Tax  
32 Fund an amount equal to 1.7% of 80% of the net revenue  
33 realized under this Act for the second preceding month.  
34 Beginning April 1, 2000, this transfer is no longer required

1 and shall not be made.

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

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

14 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,  
15 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;  
16 91-872, eff. 7-1-00.)

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

19 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

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

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

28 Within 14 days after the effective date of this  
29 amendatory Act of the 91st General Assembly, each retailer of  
30 motor fuel and gasohol shall cause the following notice to be  
31 posted in a prominently visible place on each retail  
32 dispensing device that is used to dispense motor fuel or

1 gasohol in the State of Illinois: "As of July 1, 2000, the  
2 State of Illinois has eliminated the State's share of sales  
3 tax on motor fuel and gasohol through December 31, 2000. The  
4 price on this pump should reflect the elimination of the  
5 tax." The notice shall be printed in bold print on a sign  
6 that is no smaller than 4 inches by 8 inches. The sign shall  
7 be clearly visible to customers. Any retailer who fails to  
8 post or maintain a required sign through December 31, 2000 is  
9 guilty of a petty offense for which the fine shall be \$500  
10 per day per each retail premises where a violation occurs.

11 With respect to gasohol, as defined in the Use Tax Act,  
12 the tax imposed by this Act applies to 70% of the proceeds of  
13 sales made on or after January 1, 1990, and before July 1,  
14 2003, and to 100% of the proceeds of sales made thereafter.

15 Beginning on January 1, 2002 and through December 31,  
16 2006, with respect to coal for use in this State, the tax is  
17 imposed at the rate of 1.25%.

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

1 water, infant formula, milk or milk products as defined in  
2 the Grade A Pasteurized Milk and Milk Products Act, or drinks  
3 containing 50% or more natural fruit or vegetable juice.

4 Notwithstanding any other provisions of this Act, "food  
5 for human consumption that is to be consumed off the premises  
6 where it is sold" includes all food sold through a vending  
7 machine, except soft drinks and food products that are  
8 dispensed hot from a vending machine, regardless of the  
9 location of the vending machine.

10 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
11 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

12 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

- 18 1. The name of the seller;
- 19 2. His residence address and the address of his  
20 principal place of business and the address of the  
21 principal place of business (if that is a different  
22 address) from which he engages in the business of selling  
23 tangible personal property at retail in this State;
- 24 3. Total amount of receipts received by him during  
25 the preceding calendar month or quarter, as the case may  
26 be, from sales of tangible personal property, and from  
27 services furnished, by him during such preceding calendar  
28 month or quarter;
- 29 4. Total amount received by him during the  
30 preceding calendar month or quarter on charge and time  
31 sales of tangible personal property, and from services  
32 furnished, by him prior to the month or quarter for which  
33 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 February 1, 2002, each month the Department  
33 shall pay into the County and Mass Transit District Fund 20%  
34 of the net revenue realized for the preceding month from the

1 1.25% rate on the selling price of coal for use in this  
2 State.

3 Beginning January 1, 1990, each month the Department  
4 shall pay into the Local Government Tax Fund 16% of the net  
5 revenue realized for the preceding month from the 6.25%  
6 general rate on the selling price of tangible personal  
7 property.

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

12 Beginning February 1, 2002, each month the Department  
13 shall pay into the Local Government Tax Fund 80% of the net  
14 revenue realized for the preceding month from the 1.25% rate  
15 on the selling price of coal for use in this State.

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

1 Amount" means the amounts specified below for fiscal years  
2 1986 through 1993:

3	Fiscal Year	Annual Specified Amount
4	1986	\$54,800,000
5	1987	\$76,650,000
6	1988	\$80,480,000
7	1989	\$88,510,000
8	1990	\$115,330,000
9	1991	\$145,470,000
10	1992	\$182,730,000
11	1993	\$206,520,000;

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



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

28 Subject to payment of amounts into the Build Illinois  
29 Fund as provided in the preceding paragraph or in any  
30 amendment thereto hereafter enacted, the following specified  
31 monthly installment of the amount requested in the  
32 certificate of the Chairman of the Metropolitan Pier and  
33 Exposition Authority provided under Section 8.25f of the  
34 State Finance Act, but not in excess of sums designated as

1 "Total Deposit", shall be deposited in the aggregate from  
 2 collections under Section 9 of the Use Tax Act, Section 9 of  
 3 the Service Use Tax Act, Section 9 of the Service Occupation  
 4 Tax Act, and Section 3 of the Retailers' Occupation Tax Act  
 5 into the McCormick Place Expansion Project Fund in the  
 6 specified fiscal years.

7	Fiscal Year	Total Deposit
8	1993	\$0
9	1994	53,000,000
10	1995	58,000,000
11	1996	61,000,000
12	1997	64,000,000
13	1998	68,000,000
14	1999	71,000,000
15	2000	75,000,000
16	2001	80,000,000
17	2002	84,000,000
18	2003	89,000,000
19	2004	93,000,000
20	2005	97,000,000
21	2006	102,000,000
22	2007	108,000,000
23	2008	115,000,000
24	2009	120,000,000
25	2010	126,000,000
26	2011	132,000,000
27	2012	138,000,000
28	2013 and	145,000,000

29 each fiscal year  
 30 thereafter that bonds  
 31 are outstanding under  
 32 Section 13.2 of the  
 33 Metropolitan Pier and  
 34 Exposition Authority

1 Act, but not after fiscal year 2029.

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

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

31 Subject to payment of amounts into the Build Illinois  
32 Fund, the McCormick Place Expansion Project to the preceding  
33 paragraphs or in any amendments thereto hereafter enacted,  
34 beginning July 1, 1993, the Department shall each month pay

1 into the Illinois Tax Increment Fund 0.27% of 80% of the net  
2 revenue realized for the preceding month from the 6.25%  
3 general rate on the selling price of tangible personal  
4 property.

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

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

34 If the annual information return required by this Section

1 is not filed when and as required, the taxpayer shall be  
2 liable as follows:

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

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

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

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

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

33 Net revenue realized for a month shall be the revenue  
34 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for  
2 overpayment of liability.

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

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

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

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

14 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;  
15 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.  
16 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,  
17 eff. 1-1-01; revised 8-30-00.)

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