

1 AN ACT concerning taxes.

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

4 Section 1. Short title. This Act may be cited as the
5 Automobile Leasing Occupation and Use Tax Act.

6 Section 5. Definitions. As used in this Act:

7 "Automobile" means any motor vehicle of the first
8 division, a motor vehicle of the second division which is a
9 self-contained motor vehicle designed or permanently
10 converted to provide living quarters for recreational,
11 camping or travel use, with direct walk through access to the
12 living quarters from the driver's seat, or a motor vehicle of
13 the second division which is of the van configuration
14 designed for the transportation of not less than 7 nor more
15 than 16 passengers, as defined in Section 1-146 of the
16 Illinois Vehicle Code.

17 "Department" means the Department of Revenue.

18 "Person" means any natural individual, firm, partnership,
19 association, joint stock company, joint venture, public or
20 private corporation, or a receiver, executor, trustee,
21 conservator, or other representatives appointed by order of
22 any court.

23 "Leasing" means any transfer of the possession or right
24 to possession of an automobile to a user for a valuable
25 consideration for a period of more than 1 year.

26 "Lessor" means any person, firm, corporation, or
27 association engaged in the business of leasing automobiles to
28 users. For this purpose, the objective of making a profit is
29 not necessary to make the leasing activity a business.

30 "Lessee" means any user to whom the possession, or the
31 right to possession, of an automobile is transferred for a

1 valuable consideration for a period more than one year which
2 is paid by such lessee or by someone else.

3 "Gross receipts" means the total leasing price for the
4 lease of an automobile. In the case of lease transactions in
5 which the consideration is paid to the lessor on an
6 installment basis, the amounts of such payments shall be
7 included by the lessor in gross receipts only as and when
8 payments are received by the lessor.

9 "Leasing price" means the consideration for leasing an
10 automobile valued in money, whether received in money or
11 otherwise, including cash, credits, property and services,
12 and shall be determined without any deduction on account of
13 the cost of the property leased, the cost of materials used,
14 labor or service cost or any other expense whatsoever, but
15 does not include charges that are added by lessors on account
16 of the lessor's tax liability under this Act, or on account
17 of the lessor's duty to collect, from the lessee, the tax
18 that is imposed by Section 20 of this Act. The phrase
19 "leasing price" does not include the residual value of the
20 automobile or any separately stated charge on the lessee's
21 bill for insurance.

22 "Maintaining a place of business in this State" means
23 having or maintaining within this State, directly or by a
24 subsidiary, an office, repair facilities, distribution house,
25 sales house, warehouse, or other place of business, or any
26 agent, or other representative, operating within this State,
27 irrespective of whether the place of business or agent or
28 other representative is located here permanently or
29 temporarily.

30 "Residual value" means the estimated value of the vehicle
31 at the end of the scheduled lease term, used by the lessor in
32 determining the base lease payment, as established by the
33 lessor at the time the lessor and lessee enter into the
34 lease.

1 Section 10. Imposition of occupation tax. A tax is
2 imposed upon persons engaged in this State in the business of
3 leasing automobiles in Illinois at the rate of 5% of the
4 gross receipts received from such business. The tax herein
5 imposed does not apply to the leasing of automobiles to any
6 governmental body, nor to any corporation, society,
7 association, foundation or institution organized and operated
8 exclusively for charitable, religious or educational
9 purposes, nor to any not for profit corporation, society,
10 association, foundation, institution or organization which
11 has no compensated officers or employees and which is
12 organized and operated primarily for the recreation of
13 persons 55 years of age or older. Beginning July 1, 2001
14 through June 30, 2002, each month the Department shall pay
15 into the Tax Compliance and Administration Fund 3% of the
16 revenue realized from the tax imposed by this Section, and
17 the remaining such revenue shall be paid as provided for in
18 Section 3 of the Retailers' Occupation Tax Act. Beginning
19 July 1, 2002 and each month thereafter, the Department shall
20 pay into the Tax Compliance and Administration Fund 1% of the
21 revenue realized from the tax imposed by this Section, and
22 the remaining such revenue shall be paid as provided for in
23 Section 3 of the Retailers' Occupation Tax Act.

24 The Department shall have full power to administer and
25 enforce this Section, to collect all taxes and penalties due
26 hereunder, to dispose of taxes and penalties so collected in
27 the manner hereinafter provided, and to determine all rights
28 to credit memoranda, arising on account of the erroneous
29 payment of tax or penalty hereunder. In the administration
30 of, and compliance with, this Section, the Department and
31 persons who are subject to this Section shall have the same
32 rights, remedies, privileges, immunities, powers and duties,
33 and be subject to the same conditions, restrictions,
34 limitation, penalties and definitions of terms, and employ

1 the same modes of procedure, as are prescribed in Sections 1,
2 1a, 2 through 2-65 (in respect to all provisions therein
3 other than the State rate of tax), 2a, 2b, 2c, 3 (except
4 provisions relating to transaction returns and quarter
5 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j,
6 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12 and 13 of the
7 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
8 Penalty and Interest Act as fully as if those provisions were
9 set forth herein. For purposes of this Section, references
10 in such incorporated Sections of the Retailers' Occupation
11 Tax Act to retailers, sellers or persons engaged in the
12 business of selling tangible personal property means persons
13 engaged in the leasing of automobiles under leases subject to
14 this Act.

15 Section 15. Registration. Every person engaged in this
16 State in the business of leasing automobiles shall apply to
17 the Department (upon a form prescribed and furnished by the
18 Department) for a certificate of registration under this Act.
19 The certificate of registration that is issued by the
20 Department to a retailer under the Retailers' Occupation Tax
21 Act shall permit such lessor to engage in a business that is
22 taxable under this Section without registering separately
23 with the Department.

24 Section 20. Imposition of use tax. A tax is imposed upon
25 the privilege of using in this State, an automobile which is
26 leased from a lessor. Such tax is at the rate of 5% of the
27 leasing price of such automobile paid to the lessor under any
28 lease agreement. The tax herein imposed shall not apply to
29 any governmental body, nor to any corporation, society,
30 association, foundation or institution, organized and
31 operated exclusively for charitable, religious or educational
32 purposes, nor to any not for profit corporation, society,

1 association, foundation, institution or organization which
2 has no compensated officers or employees and which is
3 organized and operated primarily for the recreation of
4 persons 55 years of age or older, when using tangible
5 personal property as a lessee. Beginning July 1, 2001
6 through June 30, 2002, each month the Department shall pay
7 into the Tax Compliance and Administration Fund 3% of the
8 revenue realized from the tax imposed by this Section, and
9 the remaining such revenue shall be paid as provided for in
10 Section 9 of the Use Tax Act. Beginning July 1, 2002 and
11 each month thereafter, the Department shall pay into the Tax
12 Compliance and Administration Fund 1% of the revenue realized
13 from the tax imposed by this Section, and the remaining such
14 revenue shall be paid as provided for in Section 9 of the Use
15 Tax Act.

16 The Department shall have full power to administer and
17 enforce this Section; to collect all taxes, penalties and
18 interest due hereunder; to dispose of taxes, penalties and
19 interest so collected in the manner hereinafter provided, and
20 to determine all rights to credit memoranda or refunds
21 arising on account of the erroneous payment of tax, penalty
22 or interest hereunder. In the administration of, and
23 compliance with, this Section, the Department and persons who
24 are subject to this Section shall have the same rights,
25 remedies, privileges, immunities, powers and duties, and be
26 subject to the same conditions, restrictions, limitations,
27 penalties and definitions of terms, and employ the same modes
28 of procedure, as are prescribed in Sections 2, 3 through
29 3-80, 4, 6, 7, 8, 9 (except provisions relating to
30 transaction returns and quarter monthly payments), 10, 11,
31 12, 12a, 12b, 13, 14, 15, 19, 20, 21 and 22 of the Use Tax
32 Act, and are not inconsistent with this Section, as fully as
33 if those provisions were set forth herein. For purposes of
34 this Section, references in such incorporated Sections of the

1 Use Tax Act to users or purchasers means lessees of
2 automobiles under leases subject to this Act.

3 Section 25. Use tax collected. The use tax imposed by
4 Section 20 shall be collected from the lessee and remitted to
5 the Department by a lessor maintaining a place of business in
6 this State or who titles or registers an automobile with an
7 agency of this State's government that is used for leasing in
8 this State.

9 The use tax imposed by Section 20 and not paid to a
10 lessor pursuant to the preceding paragraph of this Section
11 shall be paid to the Department directly by any person using
12 such automobile within this State.

13 Lessors shall collect the tax from lessees by adding the
14 tax to the leasing price of the automobile, when leased for
15 use, in the manner prescribed by the Department. The
16 Department shall have the power to adopt and promulgate
17 reasonable rules and regulations for the adding of such tax
18 by lessors to leasing prices by prescribing bracket systems
19 for the purpose of enabling such lessors to add and collect,
20 as far as practicable, the amount of such tax.

21 The tax imposed by this Section shall, when collected, be
22 stated as a distinct item on the customer's bill, separate
23 and apart from the leasing price of the automobile.

24 Section 30. Severability clause. If any clause,
25 sentence, Section, provision or part thereof of this Act or
26 the application thereof to any person or circumstance shall
27 be adjudged to be unconstitutional, the remainder of this Act
28 or its application to persons or circumstances other than
29 those to which it is held invalid, shall not be affected
30 thereby. In particular, if any provision which exempts or
31 has the effect of exempting some class of users or some kind
32 of use from the tax imposed by this Act should be held to

1 constitute or to result in an invalid classification or to be
2 unconstitutional for some other reason, such provision shall
3 be deemed to be severable with the remainder of this Act
4 without said provision being held constitutional.

5 Section 80. The State Finance Act is amended by changing
6 Sections 6z-18 and 6z-20 as follows:

7 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

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

20 A portion of the money paid into the Local Government Tax
21 Fund from the 6.25% general use tax rate on the selling price
22 of tangible personal property which is purchased outside
23 Illinois at retail from a retailer and which is titled or
24 registered by any agency of this State's government shall be
25 distributed to municipalities as provided in this paragraph.
26 Each municipality shall receive the amount attributable to
27 sales for which Illinois addresses for titling or
28 registration purposes are given as being in such
29 municipality. The remainder of the money paid into the Local
30 Government Tax Fund from such sales shall be distributed to
31 counties. Each county shall receive the amount attributable
32 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 1.25% rate imposed under the Use Tax Act upon
5 the selling price of any motor vehicle that is purchased
6 outside of Illinois at retail by a lessor for purposes of
7 leasing under a lease subject to the Automobile Leasing
8 Occupation and Use Tax Act which is titled or registered by
9 any agency of this State's government shall be distributed as
10 provided in this paragraph, less 3% for the first 12 monthly
11 distributions and 1% for each monthly distribution
12 thereafter, which sum shall be paid into the Tax Compliance
13 and Administration Fund. Each municipality shall receive the
14 amount attributable to sales for which Illinois addresses for
15 titling or registration purposes are given as being in such
16 municipality. The remainder of the money paid into the Local
17 Government Tax Fund from such sales shall be distributed to
18 counties. Each county shall receive the amount attributable
19 to sales for which Illinois addresses for titling or
20 registration purposes are given as being located in the
21 unincorporated area of such county.

22 A portion of the money paid into the Local Government Tax
23 Fund from the 6.25% general rate (and, beginning July 1, 2000
24 and through December 31, 2000, the 1.25% rate on motor fuel
25 and gasohol) on sales subject to taxation under the
26 Retailers' Occupation Tax Act and the Service Occupation Tax
27 Act, which occurred in municipalities, shall be distributed
28 to each municipality, based upon the sales which occurred in
29 that municipality. The remainder shall be distributed to each
30 county, based upon the sales which occurred in the
31 unincorporated area of such county.

32 A portion of the money paid into the Local Government Tax
33 Fund from the 1.25% rate imposed by the Retailers' Occupation
34 Tax Act upon the sale of any motor vehicle that is sold at

1 retail to a lessor for purposes of leasing under a lease
2 subject to the Automobile Leasing Occupation and Use Tax Act
3 shall be distributed as provided in this paragraph, less 3%
4 for the first 12 monthly distributions and 1% for each
5 monthly distribution thereafter, which sum shall be paid into
6 the Tax Compliance and Administration Fund. The funds shall
7 be distributed to each municipality, based upon the sales
8 which occurred in that municipality. The remainder shall be
9 distributed to each county, based upon the sales which
10 occurred in the unincorporated area of such county.

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

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

28 On or before the 25th day of each calendar month, the
29 Department shall prepare and certify to the Comptroller the
30 disbursement of stated sums of money to named municipalities
31 and counties, the municipalities and counties to be those
32 entitled to distribution of taxes or penalties paid to the
33 Department during the second preceding calendar month. The
34 amount to be paid to each municipality or county shall be the

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

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

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

31 In construing any development, redevelopment, annexation,
32 preannexation or other lawful agreement in effect prior to
33 September 1, 1990, which describes or refers to receipts from
34 a county or municipal retailers' occupation tax, use tax or

1 service occupation tax which now cannot be imposed, such
2 description or reference shall be deemed to include the
3 replacement revenue for such abolished taxes, distributed
4 from the Local Government Tax Fund.

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

7 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)
8 Sec. 6z-20. Of the money received from the 6.25% general
9 rate (and, beginning July 1, 2000 and through December 31,
10 2000, the 1.25% rate on motor fuel and gasohol) on sales
11 subject to taxation under the Retailers' Occupation Tax Act
12 and Service Occupation Tax Act and paid into the County and
13 Mass Transit District Fund, distribution to the Regional
14 Transportation Authority tax fund, created pursuant to
15 Section 4.03 of the Regional Transportation Authority Act,
16 for deposit therein shall be made based upon the retail sales
17 occurring in a county having more than 3,000,000 inhabitants.
18 The remainder shall be distributed to each county having
19 3,000,000 or fewer inhabitants based upon the retail sales
20 occurring in each such county.

21 Of the money received from the 1.25% rate imposed by the
22 Retailers' Occupation Tax Act upon the sale of any motor
23 vehicle that is sold at retail to a lessor for purposes of
24 leasing under a lease subject to the Automobile Leasing
25 Occupation and Use Tax Act, and paid into the County and Mass
26 Transit District Fund shall be distributed as provided in
27 this paragraph, less 3% for the first 12 monthly
28 distributions and 1% for each monthly distribution
29 thereafter, which sum shall be paid into the Tax Compliance
30 and Administration Fund. Distribution to the Regional
31 Transportation Authority Tax Fund, created pursuant to
32 Section 4.03 of the Regional Transportation Authority Act,
33 for deposit therein shall be made based upon the retail sales

1 occurring in a county having more than 3,000,000 inhabitants.
2 The remainder shall be distributed to each county having
3 3,000,000 or fewer inhabitants based upon the retail sales
4 occurring in each such county.

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

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

33 Of the money received from the 1.25% rate imposed under
34 the Use Tax Act upon the selling price of any motor vehicle

1 that is purchased outside of Illinois at retail by a lessor
2 for purposes of leasing under a lease subject to the
3 Automobile Leasing Occupation and Use Tax Act which is titled
4 or registered by any agency of this State's government and is
5 paid into the County and Mass Transit District Fund, shall be
6 distributed as provided in this paragraph, less 3% for the
7 first 12 monthly distributions and 1% for each monthly
8 distribution thereafter, which sum shall be paid into the Tax
9 Compliance and Administration Fund. The amount for which
10 Illinois addresses for titling or registration purposes are
11 given as being in each county having more than 3,000,000
12 inhabitants shall be distributed into the Regional
13 Transportation Authority Tax Fund, created pursuant to
14 Section 4.03 of the Regional Transportation Authority Act.
15 The remainder of the moneys paid from such sales shall be
16 distributed to each county based on sales for which Illinois
17 addresses for titling or registration purposes are given as
18 being located in that county.

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

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

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

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

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

1 In construing any development, redevelopment, annexation,
2 preannexation or other lawful agreement in effect prior to
3 September 1, 1990, which describes or refers to receipts from
4 a county or municipal retailers' occupation tax, use tax or
5 service occupation tax which now cannot be imposed, such
6 description or reference shall be deemed to include the
7 replacement revenue for such abolished taxes, distributed
8 from the County and Mass Transit District Fund or Local
9 Government Distributive Fund, as the case may be.
10 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

11 Section 85. The Use Tax Act is amended by changing
12 Sections 1a, 3-10, and 9 as follows:

13 (35 ILCS 105/1a) (from Ch. 120, par. 439.1a)

14 Sec. 1a. A person who is engaged in the business of
15 leasing or renting motor vehicles to others and who, in
16 connection with such business sells any used motor vehicle to
17 a purchaser for his use and not for the purpose of resale, is
18 a retailer engaged in the business of selling tangible
19 personal property at retail under this Act to the extent of
20 the value of the vehicle sold. For the purpose of this
21 Section, "motor vehicle" means any motor vehicle of the first
22 division, a motor vehicle of the second division which is a
23 self-contained motor vehicle designed or permanently
24 converted to provide living quarters for recreational,
25 camping or travel use, with direct walk through access to the
26 living quarters from the driver's seat, or a motor vehicle of
27 a second division which is of the van configuration designed
28 for the transportation of not less than 7 nor more than 16
29 passengers, as defined in Section 1-146 of the Illinois
30 Vehicle Code. For--the--purpose--of--this--Section,--"motor
31 vehicle"--has--the-meaning-prescribed-in-Section-1-157-of-The
32 Illinois-Vehicle-Code, as now or hereafter amended.--(Nothing

1 ~~provided-herein-shall-affect-liability--incurred--under--this~~
2 ~~Act-because-of-the-use-of-such-motor-vehicles-as-a-lessor.}~~
3 (Source: P.A. 80-598.)

4 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)
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 either the selling price or the fair market value,
8 if any, of the tangible personal property. In all cases
9 where property functionally used or consumed is the same as
10 the property that was purchased at retail, then the tax is
11 imposed on the selling price of the property. In all cases
12 where property functionally used or consumed is a by-product
13 or waste product that has been refined, manufactured, or
14 produced from property purchased at retail, then the tax is
15 imposed on the lower of the fair market value, if any, of the
16 specific property so used in this State or on the selling
17 price of the property purchased at retail. For purposes of
18 this Section "fair market value" means the price at which
19 property would change hands between a willing buyer and a
20 willing seller, neither being under any compulsion to buy or
21 sell and both having reasonable knowledge of the relevant
22 facts. The fair market value shall be established by Illinois
23 sales by the taxpayer of the same property as that
24 functionally used or consumed, or if there are no such sales
25 by the taxpayer, then comparable sales or purchases of
26 property of like kind and character in Illinois.

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

31 With respect to gasohol, the tax imposed by this Act
32 applies to 70% of the proceeds of sales made on or after
33 January 1, 1990, and before July 1, 2003, and to 100% of the

1 proceeds of sales made thereafter.

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

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

28 With respect to any motor vehicle (as the term "motor
29 vehicle" is defined in Section 1a of this Act) that is
30 purchased by a lessor for purposes of leasing under a lease
31 subject to the Automobile Leasing Occupation and Use Tax Act,
32 the tax is imposed at the rate of 1.25%.

33 With respect to any motor vehicle (as the term "motor
34 vehicle" is defined in Section 1a of this Act) that has been

1 leased by a lessor to a lessee under a lease that is subject
2 to the Automobile Leasing Occupation and Use Tax Act, and is
3 subsequently purchased by the lessee of such vehicle, the tax
4 is imposed at the rate of 5%.

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

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

14 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 by the Retailers' Occupation Tax Act, with respect to the
2 sale of the same property.

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

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

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

- 27 1. The name of the seller;
- 28 2. The address of the principal place of business
29 from which he engages in the business of selling tangible
30 personal property at retail in this State;
- 31 3. The total amount of taxable receipts received by
32 him during the preceding calendar month from sales of
33 tangible personal property by him during such preceding
34 calendar month, including receipts from charge and time

1 sales, but less all deductions allowed by law;

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

4 5. The amount of tax due;

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

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

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

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

34 Before August 1 of each year beginning in 1993, the

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

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

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

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

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

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

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

1 payment is not paid at the time or in the amount required by
2 this Section, then the taxpayer shall be liable for penalties
3 and interest on the difference between the minimum amount due
4 and the amount of such quarter monthly payment actually and
5 timely paid, except insofar as the taxpayer has previously
6 made payments for that month to the Department in excess of
7 the minimum payments previously due as provided in this
8 Section. The Department shall make reasonable rules and
9 regulations to govern the quarter monthly payment amount and
10 quarter monthly payment dates for taxpayers who file on other
11 than a calendar monthly basis.

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

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

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

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

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

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

33 In addition, with respect to motor vehicles, watercraft,
34 aircraft, and trailers that are required to be registered

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

22 The transaction reporting return in the case of motor
23 vehicles or trailers that are required to be registered with
24 an agency of this State, shall be the same document as the
25 Uniform Invoice referred to in Section 5-402 of the Illinois
26 Vehicle Code and must show the name and address of the
27 seller; the name and address of the purchaser; the amount of
28 the selling price including the amount allowed by the
29 retailer for traded-in property, if any; the amount allowed
30 by the retailer for the traded-in tangible personal property,
31 if any, to the extent to which Section 2 of this Act allows
32 an exemption for the value of traded-in property; the balance
33 payable after deducting such trade-in allowance from the
34 total selling price; the amount of tax due from the retailer

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

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

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

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

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

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

25 If the user who would otherwise pay tax to the retailer
26 wants the transaction reporting return filed and the payment
27 of tax or proof of exemption made to the Department before
28 the retailer is willing to take these actions and such user
29 has not paid the tax to the retailer, such user may certify
30 to the fact of such delay by the retailer, and may (upon the
31 Department being satisfied of the truth of such
32 certification) transmit the information required by the
33 transaction reporting return and the remittance for tax or
34 proof of exemption directly to the Department and obtain his

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

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

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

34 If experience indicates such action to be practicable,

1 the Department may prescribe and furnish a combination or
2 joint return which will enable retailers, who are required to
3 file returns hereunder and also under the Retailers'
4 Occupation Tax Act, to furnish all the return information
5 required by both Acts on the one form.

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

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

23 Beginning January 1, 1990, each month the Department
24 shall pay into the County and Mass Transit District Fund 4%
25 of the net revenue realized for the preceding month from the
26 6.25% general rate on the selling price of tangible personal
27 property which is purchased outside Illinois at retail from a
28 retailer and which is titled or registered by an agency of
29 this State's government.

30 Beginning January 1, 1990, each month the Department
31 shall pay into the State and Local Sales Tax Reform Fund, a
32 special fund in the State Treasury, 20% of the net revenue
33 realized for the preceding month from the 6.25% general rate
34 on the selling price of tangible personal property, other

1 than tangible personal property which is purchased outside
2 Illinois at retail from a retailer and which is titled or
3 registered by an agency of this State's government.

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

8 Each month the Department shall pay into the County and
9 Mass Transit District Fund 20% the net revenue realized for
10 the preceding month from the 1.25% rate imposed upon the
11 selling price of any motor vehicle that is purchased outside
12 Illinois at retail by a lessor for purposes of leasing under
13 a lease subject to the Automobile Leasing Occupation and Use
14 Tax Act and which is titled or registered by an agency of
15 this State's government.

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

23 Each month the Department shall pay into the Local
24 Government Tax Fund 80% of the net revenue realized for the
25 preceding month from the 1.25% rate imposed upon the selling
26 price of any motor vehicle that is purchased outside Illinois
27 at retail by a lessor for purposes of leasing under a lease
28 subject to the Automobile Leasing Occupation and Use Tax Act
29 and which is titled or registered by an agency of this
30 State's government.

31 Of the remainder of the moneys received by the Department
32 pursuant to this Act, and including all moneys received by
33 the Department under Section 20 of the Automobile Leasing
34 Occupation and Use Tax Act and including all of the moneys

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

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

1 and charge set forth in Section 12 of the Build Illinois Bond
2 Act.

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

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

1	2011	132,000,000
2	2012	138,000,000
3	2013 and	145,000,000

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

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

24 Subject to payment of amounts into the Build Illinois
25 Fund and the McCormick Place Expansion Project Fund pursuant
26 to the preceding paragraphs or in any amendment thereto
27 hereafter enacted, each month the Department shall pay into
28 the Local Government Distributive Fund .4% of the net revenue
29 realized for the preceding month from the 5% general rate, or
30 .4% of 80% of the net revenue realized for the preceding
31 month from the 6.25% general rate, as the case may be, on the
32 selling price of tangible personal property which amount
33 shall, subject to appropriation, be distributed as provided
34 in Section 2 of the State Revenue Sharing Act. No payments or

1 distributions pursuant to this paragraph shall be made if the
2 tax imposed by this Act on photoprocessing products is
3 declared unconstitutional, or if the proceeds from such tax
4 are unavailable for distribution because of litigation.

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

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

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

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

32 For greater simplicity of administration, manufacturers,
33 importers and wholesalers whose products are sold at retail
34 in Illinois by numerous retailers, and who wish to do so, may

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

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

9 Section 90. The Retailers' Occupation Tax Act is amended
10 by changing Sections 1c, 2-10, and 3 as follows:

11 (35 ILCS 120/1c) (from Ch. 120, par. 440c)

12 Sec. 1c. A person who is engaged in the business of
13 leasing or renting motor vehicles to others and who, in
14 connection with such business sells any used motor vehicle to
15 a purchaser for his use and not for the purpose of resale, is
16 a retailer engaged in the business of selling tangible
17 personal property at retail under this Act to the extent of
18 the value of the vehicle sold. For the purpose of this
19 Section, "motor vehicle" means any motor vehicle of the first
20 division, a motor vehicle of the second division which is a
21 self-contained motor vehicle designed or permanently
22 converted to provide living quarters for recreational,
23 camping or travel use, with direct walk through access to the
24 living quarters from the driver's seat, or a motor vehicle of
25 a second division which is of the van configuration designed
26 for the transportation of not less than 7 nor more than 16
27 passengers, as defined in Section 1-146 of the Illinois
28 Vehicle Code. For-the-purpose-of-this-Section-"motor-vehicle"
29 has-the-meaning-prescribed-in-Section-1-157-of--The--Illinois
30 Vehicle-Code,-as-now-or-hereafter-amended.--(Nothing-provided
31 herein-shall-affect-liability-incurred-under-this-Act-because
32 of-the-sale-at-retail-of-such-motor-vehicles-to-a-lessor.)

1 (Source: P.A. 80-598.)

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

3 Sec. 2-10. Rate of tax. Unless otherwise provided in
4 this Section, the tax imposed by this Act is at the rate of
5 6.25% of gross receipts from sales of tangible personal
6 property made in the course of business.

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

11 Within 14 days after the effective date of this
12 amendatory Act of the 91st General Assembly, each retailer of
13 motor fuel and gasohol shall cause the following notice to be
14 posted in a prominently visible place on each retail
15 dispensing device that is used to dispense motor fuel or
16 gasohol in the State of Illinois: "As of July 1, 2000, the
17 State of Illinois has eliminated the State's share of sales
18 tax on motor fuel and gasohol through December 31, 2000. The
19 price on this pump should reflect the elimination of the
20 tax." The notice shall be printed in bold print on a sign
21 that is no smaller than 4 inches by 8 inches. The sign shall
22 be clearly visible to customers. Any retailer who fails to
23 post or maintain a required sign through December 31, 2000 is
24 guilty of a petty offense for which the fine shall be \$500
25 per day per each retail premises where a violation occurs.

26 With respect to gasohol, as defined in the Use Tax Act,
27 the tax imposed by this Act applies to 70% of the proceeds of
28 sales made on or after January 1, 1990, and before July 1,
29 2003, and to 100% of the proceeds of sales made thereafter.

30 With respect to food for human consumption that is to be
31 consumed off the premises where it is sold (other than
32 alcoholic beverages, soft drinks, and food that has been
33 prepared for immediate consumption) and prescription and

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

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

23 With respect to any motor vehicle (as the term "motor
24 vehicle" is defined in Section 1c of this Act) that is sold
25 to a lessor for purposes of leasing under a lease subject to
26 the Automobile Leasing Occupation and Use Tax Act, the tax is
27 imposed at the rate of 1.25%.

28 With respect to any motor vehicle (as the term "motor
29 vehicle" is defined in Section 1c of this Act) that has been
30 leased by a lessor to a lessee under a lease that is subject
31 to the Automobile Leasing Occupation and Use Tax Act, and is
32 subsequently sold to the lessee of such vehicle, the tax is
33 imposed at the rate of 5%.

34 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;

1 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

2 (35 ILCS 120/3) (from Ch. 120, par. 442)

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

8 1. The name of the seller;

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

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

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

24 5. Deductions allowed by law;

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

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

30 8. The amount of tax due;

31 9. The signature of the taxpayer; and

32 10. Such other reasonable information as the
33 Department may require.

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

5 Each return shall be accompanied by the statement of
6 prepaid tax issued pursuant to Section 2e for which credit is
7 claimed.

8 A retailer may accept a Manufacturer's Purchase Credit
9 certification from a purchaser in satisfaction of Use Tax as
10 provided in Section 3-85 of the Use Tax Act if the purchaser
11 provides the appropriate documentation as required by Section
12 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
13 certification, accepted by a retailer as provided in Section
14 3-85 of the Use Tax Act, may be used by that retailer to
15 satisfy Retailers' Occupation Tax liability in the amount
16 claimed in the certification, not to exceed 6.25% of the
17 receipts subject to tax from a qualifying purchase.

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

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

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

3 5. The amount of tax due; and

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

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

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

32 Before August 1 of each year beginning in 1993, the
33 Department shall notify all taxpayers required to make
34 payments by electronic funds transfer. All taxpayers

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

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

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

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

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

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

32 If the retailer is otherwise required to file a monthly
33 or quarterly return and if the retailer's average monthly tax
34 liability with the Department does not exceed \$50, the

1 Department may authorize his returns to be filed on an annual
2 basis, with the return for a given year being due by January
3 20 of the following year.

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

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

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

20 In addition, with respect to motor vehicles, watercraft,
21 aircraft, and trailers that are required to be registered
22 with an agency of this State, every retailer selling this
23 kind of tangible personal property shall file, with the
24 Department, upon a form to be prescribed and supplied by the
25 Department, a separate return for each such item of tangible
26 personal property which the retailer sells, except that if,
27 in the same transaction, (i) a retailer of aircraft,
28 watercraft, motor vehicles or trailers transfers more than
29 one aircraft, watercraft, motor vehicle or trailer to another
30 aircraft, watercraft, motor vehicle retailer or trailer
31 retailer for the purpose of resale or (ii) a retailer of
32 aircraft, watercraft, motor vehicles, or trailers transfers
33 more than one aircraft, watercraft, motor vehicle, or trailer
34 to a purchaser for use as a qualifying rolling stock as

1 provided in Section 2-5 of this Act, then that seller may
2 report the transfer of all aircraft, watercraft, motor
3 vehicles or trailers involved in that transaction to the
4 Department on the same uniform invoice-transaction reporting
5 return form. For purposes of this Section, "watercraft"
6 means a Class 2, Class 3, or Class 4 watercraft as defined in
7 Section 3-2 of the Boat Registration and Safety Act, a
8 personal watercraft, or any boat equipped with an inboard
9 motor.

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

18 The transaction reporting return, in the case of motor
19 vehicles or trailers that are required to be registered with
20 an agency of this State, shall be the same document as the
21 Uniform Invoice referred to in Section 5-402 of The Illinois
22 Vehicle Code and must show the name and address of the
23 seller; the name and address of the purchaser; the amount of
24 the selling price including the amount allowed by the
25 retailer for traded-in property, if any; the amount allowed
26 by the retailer for the traded-in tangible personal property,
27 if any, to the extent to which Section 1 of this Act allows
28 an exemption for the value of traded-in property; the balance
29 payable after deducting such trade-in allowance from the
30 total selling price; the amount of tax due from the retailer
31 with respect to such transaction; the amount of tax collected
32 from the purchaser by the retailer on such transaction (or
33 satisfactory evidence that such tax is not due in that
34 particular instance, if that is claimed to be the fact); the

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

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

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

34 With each such transaction reporting return, the retailer

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

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

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

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

6 Refunds made by the seller during the preceding return
7 period to purchasers, on account of tangible personal
8 property returned to the seller, shall be allowed as a
9 deduction under subdivision 5 of his monthly or quarterly
10 return, as the case may be, in case the seller had
11 theretofore included the receipts from the sale of such
12 tangible personal property in a return filed by him and had
13 paid the tax imposed by this Act with respect to such
14 receipts.

15 Where the seller is a corporation, the return filed on
16 behalf of such corporation shall be signed by the president,
17 vice-president, secretary or treasurer or by the properly
18 accredited agent of such corporation.

19 Where the seller is a limited liability company, the
20 return filed on behalf of the limited liability company shall
21 be signed by a manager, member, or properly accredited agent
22 of the limited liability company.

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

1 transaction by transaction basis, as provided in this
2 Section, such discount shall be taken with each such tax
3 remittance instead of when such retailer files his periodic
4 return.

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

1 If the month during which such tax liability is incurred
2 begins on or after January 1, 1985 and prior to January 1,
3 1987, each payment shall be in an amount equal to 22.5% of
4 the taxpayer's actual liability for the month or 27.5% of the
5 taxpayer's liability for the same calendar month of the
6 preceding year. If the month during which such tax liability
7 is incurred begins on or after January 1, 1987 and prior to
8 January 1, 1988, each payment shall be in an amount equal to
9 22.5% of the taxpayer's actual liability for the month or
10 26.25% of the taxpayer's liability for the same calendar
11 month of the preceding year. If the month during which such
12 tax liability is incurred begins on or after January 1, 1988,
13 and prior to January 1, 1989, or begins on or after January
14 1, 1996, each payment shall be in an amount equal to 22.5% of
15 the taxpayer's actual liability for the month or 25% of the
16 taxpayer's liability for the same calendar month of the
17 preceding year. If the month during which such tax liability
18 is incurred begins on or after January 1, 1989, and prior to
19 January 1, 1996, each payment shall be in an amount equal to
20 22.5% of the taxpayer's actual liability for the month or 25%
21 of the taxpayer's liability for the same calendar month of
22 the preceding year or 100% of the taxpayer's actual liability
23 for the quarter monthly reporting period. The amount of such
24 quarter monthly payments shall be credited against the final
25 tax liability of the taxpayer's return for that month.
26 Before October 1, 2000, once applicable, the requirement of
27 the making of quarter monthly payments to the Department by
28 taxpayers having an average monthly tax liability of \$10,000
29 or more as determined in the manner provided above shall
30 continue until such taxpayer's average monthly liability to
31 the Department during the preceding 4 complete calendar
32 quarters (excluding the month of highest liability and the
33 month of lowest liability) is less than \$9,000, or until such
34 taxpayer's average monthly liability to the Department as

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

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

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

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

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

32 If a retailer of motor fuel is entitled to a credit under
33 Section 2d of this Act which exceeds the taxpayer's liability
34 to the Department under this Act for the month which the

1 taxpayer is filing a return, the Department shall issue the
2 taxpayer a credit memorandum for the excess.

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

13 Beginning January 1, 1990, each month the Department
14 shall pay into the County and Mass Transit District Fund, a
15 special fund in the State treasury which is hereby created,
16 4% of the net revenue realized for the preceding month from
17 the 6.25% general rate.

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

22 Each month the Department shall pay into the County and
23 Mass Transit District Fund 20% of the net revenue realized
24 for the preceding month from the 1.25% rate imposed upon the
25 sale of any motor vehicle that is sold at retail to a lessor
26 for purposes of leasing under a lease subject to the
27 Automobile Leasing Occupation and Use Tax Act.

28 Beginning January 1, 1990, each month the Department
29 shall pay into the Local Government Tax Fund 16% 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 Beginning August 1, 2000, each month the Department shall
34 pay into the Local Government Tax Fund 80% of the net revenue

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

3 Each month the Department shall pay into the Local
4 Government Tax Fund 80% of the net revenue realized for the
5 preceding month from the 1.25% rate imposed upon the sale of
6 any motor vehicle that is sold at retail to a lessor for
7 purposes of leasing under a lease subject to the Automobile
8 Leasing Occupation and Use Tax Act.

9 Of the remainder of the moneys received by the Department
10 pursuant to this Act, and including all moneys received by
11 the Department pursuant to Section 10 of the Automobile
12 Leasing Occupation and Use Tax Act, and including all of the
13 moneys received pursuant to the 5% rate imposed upon sales of
14 motor vehicles by lessors to the lessees of such vehicles in
15 connection with a lease that was subject to the Automobile
16 Leasing Occupation and Use Tax Act ~~Of the remainder of the~~

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

1 Acts; the "Annual Specified Amount" means the amounts
2 specified below for fiscal years 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 Fund, and the
33 Local Government Distributive Fund pursuant to the preceding
34 paragraphs or in any amendments thereto hereafter enacted,

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

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

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

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

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

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

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

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

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

34 Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount
2 paid out during that month as refunds to taxpayers for
3 overpayment of liability.

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

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

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

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

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

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