

1 AN ACT concerning motor fuel.

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

4 Section 5. The Use Tax Act is amended by changing  
5 Section 3-10 and by adding Sections 3-41 and 3-42 as follows:

6 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

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

29 Beginning on July 1, 2000 and through December 31, 2000,  
30 with respect to motor fuel, as defined in Section 1.1 of the  
31 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40

1 of the Use Tax Act, the tax is imposed at the rate of 1.25%.

2 With respect to gasohol, the tax imposed by this Act  
3 applies to (i) 70% of the proceeds of sales made on or after  
4 January 1, 1990, and before January 1, 2003, (ii) 75% of the  
5 proceeds of sales made on or after January 1, 2003 and  
6 through December 31, 2005, (iii) 80% of the proceeds of sales  
7 made on or after January 1, 2006 and through December 31,  
8 2010 July-17-2003, and (iv) to 100% of the proceeds of sales  
9 made thereafter. If, at any time, however, the tax under this  
10 Act on sales of gasohol is imposed at the rate of 1.25%, then  
11 the tax imposed by this Act applies to 100% of the proceeds  
12 of sales of gasohol made during that time.

13 With respect to E85 blend fuel, the tax imposed by this  
14 Act does not apply to the proceeds of sales made on or after  
15 January 1, 2003 and through December 31, 2010 but applies to  
16 100% of the proceeds of sales made thereafter. If, at any  
17 time, however, the tax under this Act on sales of E85 blend  
18 fuel is imposed at the rate of 1.25%, then the tax imposed by  
19 this Act applies to 100% of the proceeds of sales of E85  
20 blend fuel made during that time.

21 With respect to bio-diesel blend fuel with no more than  
22 10% fuel made from biomass material, the tax imposed by this  
23 Act applies to (i) 75% of the proceeds of sales made on or  
24 after January 1, 2003 and through December 31, 2005, (ii) 80%  
25 of the proceeds of sales made on or after January 1, 2006 and  
26 through December 31, 2010, and (iii) 100% of the proceeds of  
27 sales made thereafter. If, at any time, however, the tax  
28 under this Act on sales of bio-diesel blend fuel with no more  
29 than 10% fuel made from biomass material is imposed at the  
30 rate of 1.25%, then the tax imposed by this Act applies to  
31 100% of the proceeds of sales of bio-diesel blend fuel with  
32 no more than 10% fuel made from biomass material made during  
33 that time.

34 With respect to bio-diesel blend fuel with more than 10%

1 fuel made from biomass material, the tax imposed by this Act  
2 does not apply the proceeds of sales made on or after January  
3 1, 2003 and through December 31, 2010 but applies to 100% of  
4 the proceeds of sales made thereafter. If, at any time,  
5 however, the tax under this Act on sales of bio-diesel blend  
6 fuel with more than 10% fuel made from biomass material is  
7 imposed at the rate of 1.25%, then the tax imposed by this  
8 Act applies to 100% of the proceeds of sales of bio-diesel  
9 blend fuel with more than 10% fuel made from biomass material  
10 made during that time.

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

31 Notwithstanding any other provisions of this Act, "food  
32 for human consumption that is to be consumed off the premises  
33 where it is sold" includes all food sold through a vending  
34 machine, except soft drinks and food products that are

1 dispensed hot from a vending machine, regardless of the  
2 location of the vending machine.

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

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

12 (35 ILCS 105/3-41 new)

13 Sec. 3-41. Bio-diesel blend. "Bio-diesel blend" means  
14 diesel fuel blended with no less than 0.5% and no more than  
15 20% fuel made from biomass material. "Diesel fuel" means any  
16 petroleum product intended for use or offered for sale as a  
17 fuel for engines in which the fuel is injected into the  
18 combustion chamber and ignited by pressure without electric  
19 spark. "Biomass material" includes, but is not limited to,  
20 soybean oil, other vegetable oils, and denatured ethanol.

21 (35 ILCS 105/3-42 new)

22 Sec. 3-42. E85 blend fuel. "E85 blend fuel" means  
23 motor fuel that contains at least 70% denatured ethanol and  
24 no more than 30% gasoline. "Gasoline" means all products  
25 commonly or commercially known or sold as gasoline (including  
26 casing head and absorption or natural gasoline).

27 Section 10. The Service Use Tax Act is amended by  
28 changing Section 3-10 as follows:

29 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

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

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

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 With respect to gasohol, as defined in the Use Tax Act,  
12 the tax imposed by this Act applies to (i) 70% of the selling  
13 price of property transferred as an incident to the sale of  
14 service on or after January 1, 1990, and before January 1,  
15 2003, (ii) 75% of the selling price of property transferred  
16 as an incident to the sale of service on or after January 1,  
17 2003 and through December 31, 2005, (iii) 80% of the selling  
18 price of property transferred as an incident to the sale of  
19 service on or after January 1, 2006 and through December 31,  
20 2010 July-17-2003, and (iv) to 100% of the selling price  
21 thereafter. If, at any time, however, the tax under this Act  
22 on sales of gasohol, as defined in the Use Tax Act, is  
23 imposed at the rate of 1.25%, then the tax imposed by this  
24 Act applies to 100% of the proceeds of sales of gasohol made  
25 during that time.

26 With respect to E85 blend fuel, as defined in the Use Tax  
27 Act, the tax imposed by this Act does not apply to the  
28 selling price of property transferred as an incident to the  
29 sale of service on or after January 1, 2003 and through  
30 December 31, 2010 but applies to 100% of the selling price  
31 thereafter. If, at any time, however, the tax under this Act  
32 on sales of E85 blend fuel, as defined in the Use Tax Act, is  
33 imposed at the rate of 1.25%, then the tax imposed by this  
34 Act applies to 100% of the proceeds of sales of E85 blend

1 fuel made during that time.

2 With respect to bio-diesel blend fuel, as defined in the  
3 Use Tax Act, with no more than 10% fuel made from biomass  
4 material, the tax imposed by this Act applies to (i) 75% of  
5 the selling price of property transferred as an incident to  
6 the sale of service on or after January 1, 2003 and through  
7 December 31, 2005, (ii) 80% of the proceeds of the selling  
8 price of property transferred as an incident to the sale of  
9 service on or after January 1, 2006 and through December 31,  
10 2010, and (iii) 100% of the proceeds of the selling price  
11 thereafter. If, at any time, however, the tax under this Act  
12 on sales of bio-diesel blend fuel, as defined in the Use Tax  
13 Act, with no more than 10% fuel made from biomass material is  
14 imposed at the rate of 1.25%, then the tax imposed by this  
15 Act applies to 100% of the proceeds of sales of bio-diesel  
16 blend fuel with no more than 10% fuel made from biomass  
17 material made during that time.

18 With respect to bio-diesel blend fuel, as defined in the  
19 Use Tax Act, with more than 10% fuel made from biomass  
20 material, the tax imposed by this Act does not apply to the  
21 proceeds of the selling price of property transferred as an  
22 incident to the sale of service on or after January 1, 2003  
23 and through December 31, 2010 but applies to 100% of the  
24 selling price thereafter. If, at any time, however, the tax  
25 under this Act on sales of bio-diesel blend fuel, as defined  
26 in the Use Tax Act, with more than 10% fuel made from biomass  
27 material is imposed at the rate of 1.25%, then the tax  
28 imposed by this Act applies to 100% of the proceeds of sales  
29 of bio-diesel blend fuel with no more than 10% fuel made from  
30 biomass material made during that time.

31 At the election of any registered serviceman made for  
32 each fiscal year, sales of service in which the aggregate  
33 annual cost price of tangible personal property transferred  
34 as an incident to the sales of service is less than 35%, or

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

7 The tax shall be imposed at the rate of 1% on food  
8 prepared for immediate consumption and transferred incident  
9 to a sale of service subject to this Act or the Service  
10 Occupation Tax Act by an entity licensed under the Hospital  
11 Licensing Act, the Nursing Home Care Act, or the Child Care  
12 Act of 1969. The tax shall also be imposed at the rate of 1%  
13 on food for human consumption that is to be consumed off the  
14 premises where it is sold (other than alcoholic beverages,  
15 soft drinks, and food that has been prepared for immediate  
16 consumption and is not otherwise included in this paragraph)  
17 and prescription and nonprescription medicines, drugs,  
18 medical appliances, modifications to a motor vehicle for the  
19 purpose of rendering it usable by a disabled person, and  
20 insulin, urine testing materials, syringes, and needles used  
21 by diabetics, for human use. For the purposes of this  
22 Section, the term "soft drinks" means any complete, finished,  
23 ready-to-use, non-alcoholic drink, whether carbonated or not,  
24 including but not limited to soda water, cola, fruit juice,  
25 vegetable juice, carbonated water, and all other preparations  
26 commonly known as soft drinks of whatever kind or description  
27 that are contained in any closed or sealed bottle, can,  
28 carton, or container, regardless of size. "Soft drinks" does  
29 not include coffee, tea, non-carbonated water, infant  
30 formula, milk or milk products as defined in the Grade A  
31 Pasteurized Milk and Milk Products Act, or drinks containing  
32 50% or more natural fruit or vegetable juice.

33 Notwithstanding any other provisions of this Act, "food  
34 for human consumption that is to be consumed off the premises

1 where it is sold" includes all food sold through a vending  
2 machine, except soft drinks and food products that are  
3 dispensed hot from a vending machine, regardless of the  
4 location of the vending machine.

5 If the property that is acquired from a serviceman is  
6 acquired outside Illinois and used outside Illinois before  
7 being brought to Illinois for use here and is taxable under  
8 this Act, the "selling price" on which the tax is computed  
9 shall be reduced by an amount that represents a reasonable  
10 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; 91-541, eff. 8-13-99; 91-872, eff.  
14 7-1-00.)

15 Section 15. The Service Occupation Tax Act is amended by  
16 changing Section 3-10 as follows:

17 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

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



1 the tax imposed by this Act shall be based on the  
2 serviceman's cost price of the tangible personal property  
3 transferred incident to the completion of the contract.

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

8 With respect to gasohol, as defined in the Use Tax Act,  
9 the tax imposed by this Act shall apply to (i) 70% of the  
10 cost price of property transferred as an incident to the sale  
11 of service on or after January 1, 1990, and before January 1,  
12 2003, (ii) 75% of the selling price of property transferred  
13 as an incident to the sale of service on or after January 1,  
14 2003 and through December 31, 2005, (iii) 80% of the selling  
15 price of property transferred as an incident to the sale of  
16 service on or after January 1, 2006 and through December 31,  
17 2010 July-17-2003, and (iv) to 100% of the cost price  
18 thereafter. If, at any time, however, the tax under this Act  
19 on sales of gasohol, as defined in the Use Tax Act, is  
20 imposed at the rate of 1.25%, then the tax imposed by this  
21 Act applies to 100% of the proceeds of sales of gasohol made  
22 during that time.

23 With respect to E85 blend fuel, as defined in the Use Tax  
24 Act, the tax imposed by this Act does not apply to the  
25 selling price of property transferred as an incident to the  
26 sale of service on or after January 1, 2003 and through  
27 December 31, 2010 but applies to 100% of the selling price  
28 thereafter. If, at any time, however, the tax under this Act  
29 on sales of E85 blend fuel, as defined in the Use Tax Act, is  
30 imposed at the rate of 1.25%, then the tax imposed by this  
31 Act applies to 100% of the proceeds of sales of E85 blend  
32 fuel made during that time.

33 With respect to bio-diesel blend fuel, as defined in the  
34 Use Tax Act, with no more than 10% fuel made from biomass

1 material, the tax imposed by this Act applies to (i) 75% of  
2 the selling price of property transferred as an incident to  
3 the sale of service on or after January 1, 2003 and through  
4 December 31, 2005, (ii) 80% of the proceeds of the selling  
5 price of property transferred as an incident to the sale of  
6 service on or after January 1, 2006 and through December 31,  
7 2010, and (iii) 100% of the proceeds of the selling price  
8 thereafter. If, at any time, however, the tax under this Act  
9 on sales of bio-diesel blend fuel, as defined in the Use Tax  
10 Act, with no more than 10% fuel made from biomass material is  
11 imposed at the rate of 1.25%, then the tax imposed by this  
12 Act applies to 100% of the proceeds of sales of bio-diesel  
13 blend fuel with no more than 10% fuel made from biomass  
14 material made during that time.

15 With respect to bio-diesel blend fuel, as defined in the  
16 Use Tax Act, with more than 10% fuel made from biomass  
17 material, the tax imposed by this Act does not apply to the  
18 proceeds of the selling price of property transferred as an  
19 incident to the sale of service on or after January 1, 2003  
20 and through December 31, 2010 but applies to 100% of the  
21 selling price thereafter. If, at any time, however, the tax  
22 under this Act on sales of bio-diesel blend fuel, as defined  
23 in the Use Tax Act, with more than 10% fuel made from biomass  
24 material is imposed at the rate of 1.25%, then the tax  
25 imposed by this Act applies to 100% of the proceeds of sales  
26 of bio-diesel blend fuel with more than 10% fuel made from  
27 biomass material made during that time.

28 At the election of any registered serviceman made for  
29 each fiscal year, sales of service in which the aggregate  
30 annual cost price of tangible personal property transferred  
31 as an incident to the sales of service is less than 35%, or  
32 75% in the case of servicemen transferring prescription drugs  
33 or servicemen engaged in graphic arts production, of the  
34 aggregate annual total gross receipts from all sales of

1 service, the tax imposed by this Act shall be based on the  
2 serviceman's cost price of the tangible personal property  
3 transferred incident to the sale of those services.

4 The tax shall be imposed at the rate of 1% on food  
5 prepared for immediate consumption and transferred incident  
6 to a sale of service subject to this Act or the Service  
7 Occupation Tax Act by an entity licensed under the Hospital  
8 Licensing Act, the Nursing Home Care Act, or the Child Care  
9 Act of 1969. The tax shall also be imposed at the rate of 1%  
10 on food for human consumption that is to be consumed off the  
11 premises where it is sold (other than alcoholic beverages,  
12 soft drinks, and food that has been prepared for immediate  
13 consumption and is not otherwise included in this paragraph)  
14 and prescription and nonprescription medicines, drugs,  
15 medical appliances, modifications to a motor vehicle for the  
16 purpose of rendering it usable by a disabled person, and  
17 insulin, urine testing materials, syringes, and needles used  
18 by diabetics, for human use. For the purposes of this  
19 Section, the term "soft drinks" means any complete, finished,  
20 ready-to-use, non-alcoholic drink, whether carbonated or not,  
21 including but not limited to soda water, cola, fruit juice,  
22 vegetable juice, carbonated water, and all other preparations  
23 commonly known as soft drinks of whatever kind or description  
24 that are contained in any closed or sealed can, carton, or  
25 container, regardless of size. "Soft drinks" does not  
26 include coffee, tea, non-carbonated water, infant formula,  
27 milk or milk products as defined in the Grade A Pasteurized  
28 Milk and Milk Products Act, or drinks containing 50% or more  
29 natural fruit or vegetable juice.

30 Notwithstanding any other provisions of this Act, "food  
31 for human consumption that is to be consumed off the premises  
32 where it is sold" includes all food sold through a vending  
33 machine, except soft drinks and food products that are  
34 dispensed hot from a vending machine, regardless of the

1 location of the vending machine.

2 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
3 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

4 Section 20. The Retailers' Occupation Tax Act is amended  
5 by changing Section 2-10 as follows:

6 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

7 Sec. 2-10. Rate of tax. Unless otherwise provided in  
8 this Section, the tax imposed by this Act is at the rate of  
9 6.25% of gross receipts from sales of tangible personal  
10 property made in the course of business.

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

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

30 With respect to gasohol, as defined in the Use Tax Act,  
31 the tax imposed by this Act applies to (i) 70% of the  
32 proceeds of sales made on or after January 1, 1990, and

1 before January 1, 2003, (ii) 75% of the proceeds of sales  
2 made on or after January 1, 2003 and through December 31,  
3 2005, (iii) 80% of the proceeds of sales made on or after  
4 January 1, 2006 and through December 31, 2010 July-17-2003,  
5 and (iv) to 100% of the proceeds of sales made thereafter.  
6 If, at any time, however, the tax under this Act on sales of  
7 gasohol, as defined in the Use Tax Act, is imposed at the  
8 rate of 1.25%, then the tax imposed by this Act applies to  
9 100% of the proceeds of sales of gasohol made during that  
10 time.

11 With respect to E85 blend fuel, as defined in the Use Tax  
12 Act, the tax imposed by this Act does not apply to the  
13 proceeds of sales made on or after January 1, 2003 and  
14 through December 31, 2010 but applies to 100% of the proceeds  
15 of sales made thereafter. If, at any time, however, the tax  
16 under this Act on sales of E85 blend fuel, as defined in the  
17 Use Tax Act, is imposed at the rate of 1.25%, then the tax  
18 imposed by this Act applies to 100% of the proceeds of sales  
19 of E85 blend fuel made during that time.

20 With respect to bio-diesel blend fuel, as defined in the  
21 Use Tax Act, with no more than 10% fuel made from biomass  
22 material, the tax imposed by this Act applies to (i) 75% of  
23 the proceeds of sales made on or after January 1, 2003 and  
24 through December 31, 2005, (ii) 80% of the proceeds of sales  
25 made on or after January 1, 2006 and through December 31,  
26 2010, and (iii) 100% of the proceeds of sales made  
27 thereafter. If, at any time, however, the tax under this Act  
28 on sales of bio-diesel blend fuel, as defined in the Use Tax  
29 Act, with no more than 10% fuel made from biomass material is  
30 imposed at the rate of 1.25%, then the tax imposed by this  
31 Act applies to 100% of the proceeds of sales of bio-diesel  
32 blend fuel with no more than 10% fuel made from biomass  
33 material made during that time.

34 With respect to bio-diesel blend fuel, as defined in the

1 Use Tax Act, with more than 10% fuel made from biomass  
2 material, the tax imposed by this Act does not apply to the  
3 proceeds of sales made on or after January 1, 2003 and  
4 through December 31, 2010 but applies to 100% of the proceeds  
5 of sales made thereafter. If, at any time, however, the tax  
6 under this Act on sales of bio-diesel blend fuel, as defined  
7 in the Use Tax Act, with more than 10% fuel made from biomass  
8 material is imposed at the rate of 1.25%, then the tax  
9 imposed by this Act applies to 100% of the proceeds of sales  
10 of bio-diesel blend fuel with more than 10% fuel made from  
11 biomass material made during that time.

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

32 Notwithstanding any other provisions of this Act, "food  
33 for human consumption that is to be consumed off the premises  
34 where it is sold" includes all food sold through a vending

1 machine, except soft drinks and food products that are  
2 dispensed hot from a vending machine, regardless of the  
3 location of the vending machine.

4 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;  
5 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

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