

1 AN ACT in relation to taxes.

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 3-5 as follows:

6 (35 ILCS 105/3-5) (from Ch. 120, par. 439.3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible  
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,  
10 society, association, foundation, institution, or  
11 organization, other than a limited liability company, that is  
12 organized and operated as a not-for-profit service enterprise  
13 for the benefit of persons 65 years of age or older if the  
14 personal property was not purchased by the enterprise for the  
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit  
17 Illinois county fair association for use in conducting,  
18 operating, or promoting the county fair.

19 (3) Personal property purchased by a not-for-profit arts  
20 or cultural organization that establishes, by proof required  
21 by the Department by rule, that it has received an exemption  
22 under Section 501(c)(3) of the Internal Revenue Code and that  
23 is organized and operated for the presentation or support of  
24 arts or cultural programming, activities, or services. These  
25 organizations include, but are not limited to, music and  
26 dramatic arts organizations such as symphony orchestras and  
27 theatrical groups, arts and cultural service organizations,  
28 local arts councils, visual arts organizations, and media  
29 arts organizations.

30 (4) Personal property purchased by a governmental body,  
31 by a corporation, society, association, foundation, or

1 institution organized and operated exclusively for  
2 charitable, religious, or educational purposes, or by a  
3 not-for-profit corporation, society, association, foundation,  
4 institution, or organization that has no compensated officers  
5 or employees and that is organized and operated primarily for  
6 the recreation of persons 55 years of age or older. A limited  
7 liability company may qualify for the exemption under this  
8 paragraph only if the limited liability company is organized  
9 and operated exclusively for educational purposes. On and  
10 after July 1, 1987, however, no entity otherwise eligible for  
11 this exemption shall make tax-free purchases unless it has an  
12 active exemption identification number issued by the  
13 Department.

14 (5) A passenger car that is a replacement vehicle to the  
15 extent that the purchase price of the car is subject to the  
16 Replacement Vehicle Tax.

17 (6) Graphic arts machinery and equipment, including  
18 repair and replacement parts, both new and used, and  
19 including that manufactured on special order, certified by  
20 the purchaser to be used primarily for graphic arts  
21 production, and including machinery and equipment purchased  
22 for lease.

23 (7) Farm chemicals.

24 (8) Legal tender, currency, medallions, or gold or  
25 silver coinage issued by the State of Illinois, the  
26 government of the United States of America, or the government  
27 of any foreign country, and bullion.

28 (9) Personal property purchased from a teacher-sponsored  
29 student organization affiliated with an elementary or  
30 secondary school located in Illinois.

31 (10) A motor vehicle of the first division, a motor  
32 vehicle of the second division that is a self-contained motor  
33 vehicle designed or permanently converted to provide living  
34 quarters for recreational, camping, or travel use, with

1 direct walk through to the living quarters from the driver's  
2 seat, or a motor vehicle of the second division that is of  
3 the van configuration designed for the transportation of not  
4 less than 7 nor more than 16 passengers, as defined in  
5 Section 1-146 of the Illinois Vehicle Code, that is used for  
6 automobile renting, as defined in the Automobile Renting  
7 Occupation and Use Tax Act.

8 (11) Farm machinery and equipment, both new and used,  
9 including that manufactured on special order, certified by  
10 the purchaser to be used primarily for production agriculture  
11 or State or federal agricultural programs, including  
12 individual replacement parts for the machinery and equipment,  
13 including machinery and equipment purchased for lease, and  
14 including implements of husbandry defined in Section 1-130 of  
15 the Illinois Vehicle Code, farm machinery and agricultural  
16 chemical and fertilizer spreaders, and nurse wagons required  
17 to be registered under Section 3-809 of the Illinois Vehicle  
18 Code, but excluding other motor vehicles required to be  
19 registered under the Illinois Vehicle Code. Horticultural  
20 polyhouses or hoop houses used for propagating, growing, or  
21 overwintering plants shall be considered farm machinery and  
22 equipment under this item (11). Agricultural chemical tender  
23 tanks and dry boxes shall include units sold separately from  
24 a motor vehicle required to be licensed and units sold  
25 mounted on a motor vehicle required to be licensed if the  
26 selling price of the tender is separately stated.

27 Farm machinery and equipment shall include precision  
28 farming equipment that is installed or purchased to be  
29 installed on farm machinery and equipment including, but not  
30 limited to, tractors, harvesters, sprayers, planters,  
31 seeders, or spreaders. Precision farming equipment includes,  
32 but is not limited to, soil testing sensors, computers,  
33 monitors, software, global positioning and mapping systems,  
34 and other such equipment.

1 Farm machinery and equipment also includes computers,  
2 sensors, software, and related equipment used primarily in  
3 the computer-assisted operation of production agriculture  
4 facilities, equipment, and activities such as, but not  
5 limited to, the collection, monitoring, and correlation of  
6 animal and crop data for the purpose of formulating animal  
7 diets and agricultural chemicals. This item (11) is exempt  
8 from the provisions of Section 3-90.

9 (12) Fuel and petroleum products sold to or used by an  
10 air common carrier, certified by the carrier to be used for  
11 consumption, shipment, or storage in the conduct of its  
12 business as an air common carrier, for a flight destined for  
13 or returning from a location or locations outside the United  
14 States without regard to previous or subsequent domestic  
15 stopovers.

16 (13) Proceeds of mandatory service charges separately  
17 stated on customers' bills for the purchase and consumption  
18 of food and beverages purchased at retail from a retailer, to  
19 the extent that the proceeds of the service charge are in  
20 fact turned over as tips or as a substitute for tips to the  
21 employees who participate directly in preparing, serving,  
22 hosting or cleaning up the food or beverage function with  
23 respect to which the service charge is imposed.

24 (14) Oil field exploration, drilling, and production  
25 equipment, including (i) rigs and parts of rigs, rotary rigs,  
26 cable tool rigs, and workover rigs, (ii) pipe and tubular  
27 goods, including casing and drill strings, (iii) pumps and  
28 pump-jack units, (iv) storage tanks and flow lines, (v) any  
29 individual replacement part for oil field exploration,  
30 drilling, and production equipment, and (vi) machinery and  
31 equipment purchased for lease; but excluding motor vehicles  
32 required to be registered under the Illinois Vehicle Code.

33 (15) Photoprocessing machinery and equipment, including  
34 repair and replacement parts, both new and used, including

1 that manufactured on special order, certified by the  
2 purchaser to be used primarily for photoprocessing, and  
3 including photoprocessing machinery and equipment purchased  
4 for lease.

5 (16) Coal exploration, mining, offhighway hauling,  
6 processing, maintenance, and reclamation equipment, including  
7 replacement parts and equipment, and including equipment  
8 purchased for lease, but excluding motor vehicles required to  
9 be registered under the Illinois Vehicle Code.

10 (17) Distillation machinery and equipment, sold as a  
11 unit or kit, assembled or installed by the retailer,  
12 certified by the user to be used only for the production of  
13 ethyl alcohol that will be used for consumption as motor fuel  
14 or as a component of motor fuel for the personal use of the  
15 user, and not subject to sale or resale.

16 (18) Manufacturing and assembling machinery and  
17 equipment used primarily in the process of manufacturing or  
18 assembling tangible personal property for wholesale or retail  
19 sale or lease, whether that sale or lease is made directly by  
20 the manufacturer or by some other person, whether the  
21 materials used in the process are owned by the manufacturer  
22 or some other person, or whether that sale or lease is made  
23 apart from or as an incident to the seller's engaging in the  
24 service occupation of producing machines, tools, dies, jigs,  
25 patterns, gauges, or other similar items of no commercial  
26 value on special order for a particular purchaser.

27 (19) Personal property delivered to a purchaser or  
28 purchaser's donee inside Illinois when the purchase order for  
29 that personal property was received by a florist located  
30 outside Illinois who has a florist located inside Illinois  
31 deliver the personal property.

32 (20) Semen used for artificial insemination of livestock  
33 for direct agricultural production.

34 (21) Horses, or interests in horses, registered with and

1 meeting the requirements of any of the Arabian Horse Club  
2 Registry of America, Appaloosa Horse Club, American Quarter  
3 Horse Association, United States Trotting Association, or  
4 Jockey Club, as appropriate, used for purposes of breeding or  
5 racing for prizes.

6 (22) Computers and communications equipment utilized for  
7 any hospital purpose and equipment used in the diagnosis,  
8 analysis, or treatment of hospital patients purchased by a  
9 lessor who leases the equipment, under a lease of one year or  
10 longer executed or in effect at the time the lessor would  
11 otherwise be subject to the tax imposed by this Act, to a  
12 hospital that has been issued an active tax exemption  
13 identification number by the Department under Section 1g of  
14 the Retailers' Occupation Tax Act. If the equipment is  
15 leased in a manner that does not qualify for this exemption  
16 or is used in any other non-exempt manner, the lessor shall  
17 be liable for the tax imposed under this Act or the Service  
18 Use Tax Act, as the case may be, based on the fair market  
19 value of the property at the time the non-qualifying use  
20 occurs. No lessor shall collect or attempt to collect an  
21 amount (however designated) that purports to reimburse that  
22 lessor for the tax imposed by this Act or the Service Use Tax  
23 Act, as the case may be, if the tax has not been paid by the  
24 lessor. If a lessor improperly collects any such amount from  
25 the lessee, the lessee shall have a legal right to claim a  
26 refund of that amount from the lessor. If, however, that  
27 amount is not refunded to the lessee for any reason, the  
28 lessor is liable to pay that amount to the Department.

29 (23) Personal property purchased by a lessor who leases  
30 the property, under a lease of one year or longer executed  
31 or in effect at the time the lessor would otherwise be  
32 subject to the tax imposed by this Act, to a governmental  
33 body that has been issued an active sales tax exemption  
34 identification number by the Department under Section 1g of

1 the Retailers' Occupation Tax Act. If the property is leased  
2 in a manner that does not qualify for this exemption or used  
3 in any other non-exempt manner, the lessor shall be liable  
4 for the tax imposed under this Act or the Service Use Tax  
5 Act, as the case may be, based on the fair market value of  
6 the property at the time the non-qualifying use occurs. No  
7 lessor shall collect or attempt to collect an amount (however  
8 designated) that purports to reimburse that lessor for the  
9 tax imposed by this Act or the Service Use Tax Act, as the  
10 case may be, if the tax has not been paid by the lessor. If  
11 a lessor improperly collects any such amount from the lessee,  
12 the lessee shall have a legal right to claim a refund of that  
13 amount from the lessor. If, however, that amount is not  
14 refunded to the lessee for any reason, the lessor is liable  
15 to pay that amount to the Department.

16 (24) Beginning with taxable years ending on or after  
17 December 31, 1995 and ending with taxable years ending on or  
18 before December 31, 2004, personal property that is donated  
19 for disaster relief to be used in a State or federally  
20 declared disaster area in Illinois or bordering Illinois by a  
21 manufacturer or retailer that is registered in this State to  
22 a corporation, society, association, foundation, or  
23 institution that has been issued a sales tax exemption  
24 identification number by the Department that assists victims  
25 of the disaster who reside within the declared disaster area.

26 (25) Beginning with taxable years ending on or after  
27 December 31, 1995 and ending with taxable years ending on or  
28 before December 31, 2004, personal property that is used in  
29 the performance of infrastructure repairs in this State,  
30 including but not limited to municipal roads and streets,  
31 access roads, bridges, sidewalks, waste disposal systems,  
32 water and sewer line extensions, water distribution and  
33 purification facilities, storm water drainage and retention  
34 facilities, and sewage treatment facilities, resulting from a

1 State or federally declared disaster in Illinois or bordering  
2 Illinois when such repairs are initiated on facilities  
3 located in the declared disaster area within 6 months after  
4 the disaster.

5 (26) Beginning July 1, 1999, game or game birds  
6 purchased at a "game breeding and hunting preserve area" or  
7 an "exotic game hunting area" as those terms are used in the  
8 Wildlife Code or at a hunting enclosure approved through  
9 rules adopted by the Department of Natural Resources. This  
10 paragraph is exempt from the provisions of Section 3-90.

11 (27) A motor vehicle, as that term is defined in Section  
12 1-146 of the Illinois Vehicle Code, that is donated to a  
13 corporation, limited liability company, society, association,  
14 foundation, or institution that is determined by the  
15 Department to be organized and operated exclusively for  
16 educational purposes. For purposes of this exemption, "a  
17 corporation, limited liability company, society, association,  
18 foundation, or institution organized and operated exclusively  
19 for educational purposes" means all tax-supported public  
20 schools, private schools that offer systematic instruction in  
21 useful branches of learning by methods common to public  
22 schools and that compare favorably in their scope and  
23 intensity with the course of study presented in tax-supported  
24 schools, and vocational or technical schools or institutes  
25 organized and operated exclusively to provide a course of  
26 study of not less than 6 weeks duration and designed to  
27 prepare individuals to follow a trade or to pursue a manual,  
28 technical, mechanical, industrial, business, or commercial  
29 occupation.

30 (28) Beginning January 1, 2000, personal property,  
31 including food, purchased through fundraising events for the  
32 benefit of a public or private elementary or secondary  
33 school, a group of those schools, or one or more school  
34 districts if the events are sponsored by an entity recognized



1 by the school district that consists primarily of volunteers  
2 and includes parents and teachers of the school children.  
3 This paragraph does not apply to fundraising events (i) for  
4 the benefit of private home instruction or (ii) for which the  
5 fundraising entity purchases the personal property sold at  
6 the events from another individual or entity that sold the  
7 property for the purpose of resale by the fundraising entity  
8 and that profits from the sale to the fundraising entity.  
9 This paragraph is exempt from the provisions of Section 3-90.

10 (29) Beginning January 1, 2000, new or used automatic  
11 vending machines that prepare and serve hot food and  
12 beverages, including coffee, soup, and other items, and  
13 replacement parts for these machines. This paragraph is  
14 exempt from the provisions of Section 3-90.

15 (30) Food for human consumption that is to be consumed  
16 off the premises where it is sold (other than alcoholic  
17 beverages, soft drinks, and food that has been prepared for  
18 immediate consumption) and prescription and nonprescription  
19 medicines, drugs, medical appliances, and insulin, urine  
20 testing materials, syringes, and needles used by diabetics,  
21 for human use, when purchased for use by a person receiving  
22 medical assistance under Article 5 of the Illinois Public Aid  
23 Code who resides in a licensed long-term care facility, as  
24 defined in the Nursing Home Care Act.

25 (31) Beginning on January 1, 2002, the following items  
26 used in connection with commercial grain elevators: (i) grain  
27 bins used to store grain for resale, (ii) aeration equipment,  
28 and (iii) grain handling equipment.

29 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
30 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
31 7-20-99; 91-439, eff. 8-6-99; 91-637, eff. 8-20-99; 91-644,  
32 eff. 8-20-99; 91-901, eff. 1-1-01.)

33 Section 10. The Service Use Tax Act is amended by

1 changing Section 3-5 as follows:

2 (35 ILCS 110/3-5) (from Ch. 120, par. 439.33-5)

3 Sec. 3-5. Exemptions. Use of the following tangible  
4 personal property is exempt from the tax imposed by this Act:

5 (1) Personal property purchased from a corporation,  
6 society, association, foundation, institution, or  
7 organization, other than a limited liability company, that is  
8 organized and operated as a not-for-profit service enterprise  
9 for the benefit of persons 65 years of age or older if the  
10 personal property was not purchased by the enterprise for the  
11 purpose of resale by the enterprise.

12 (2) Personal property purchased by a non-profit Illinois  
13 county fair association for use in conducting, operating, or  
14 promoting the county fair.

15 (3) Personal property purchased by a not-for-profit arts  
16 or cultural organization that establishes, by proof required  
17 by the Department by rule, that it has received an exemption  
18 under Section 501(c)(3) of the Internal Revenue Code and that  
19 is organized and operated for the presentation or support of  
20 arts or cultural programming, activities, or services. These  
21 organizations include, but are not limited to, music and  
22 dramatic arts organizations such as symphony orchestras and  
23 theatrical groups, arts and cultural service organizations,  
24 local arts councils, visual arts organizations, and media  
25 arts organizations.

26 (4) Legal tender, currency, medallions, or gold or  
27 silver coinage issued by the State of Illinois, the  
28 government of the United States of America, or the government  
29 of any foreign country, and bullion.

30 (5) Graphic arts machinery and equipment, including  
31 repair and replacement parts, both new and used, and  
32 including that manufactured on special order or purchased for  
33 lease, certified by the purchaser to be used primarily for

1 graphic arts production.

2 (6) Personal property purchased from a teacher-sponsored  
3 student organization affiliated with an elementary or  
4 secondary school located in Illinois.

5 (7) Farm machinery and equipment, both new and used,  
6 including that manufactured on special order, certified by  
7 the purchaser to be used primarily for production agriculture  
8 or State or federal agricultural programs, including  
9 individual replacement parts for the machinery and equipment,  
10 including machinery and equipment purchased for lease, and  
11 including implements of husbandry defined in Section 1-130 of  
12 the Illinois Vehicle Code, farm machinery and agricultural  
13 chemical and fertilizer spreaders, and nurse wagons required  
14 to be registered under Section 3-809 of the Illinois Vehicle  
15 Code, but excluding other motor vehicles required to be  
16 registered under the Illinois Vehicle Code. Horticultural  
17 polyhouses or hoop houses used for propagating, growing, or  
18 overwintering plants shall be considered farm machinery and  
19 equipment under this item (7). Agricultural chemical tender  
20 tanks and dry boxes shall include units sold separately from  
21 a motor vehicle required to be licensed and units sold  
22 mounted on a motor vehicle required to be licensed if the  
23 selling price of the tender is separately stated.

24 Farm machinery and equipment shall include precision  
25 farming equipment that is installed or purchased to be  
26 installed on farm machinery and equipment including, but not  
27 limited to, tractors, harvesters, sprayers, planters,  
28 seeders, or spreaders. Precision farming equipment includes,  
29 but is not limited to, soil testing sensors, computers,  
30 monitors, software, global positioning and mapping systems,  
31 and other such equipment.

32 Farm machinery and equipment also includes computers,  
33 sensors, software, and related equipment used primarily in  
34 the computer-assisted operation of production agriculture

1 facilities, equipment, and activities such as, but not  
2 limited to, the collection, monitoring, and correlation of  
3 animal and crop data for the purpose of formulating animal  
4 diets and agricultural chemicals. This item (7) is exempt  
5 from the provisions of Section 3-75.

6 (8) Fuel and petroleum products sold to or used by an  
7 air common carrier, certified by the carrier to be used for  
8 consumption, shipment, or storage in the conduct of its  
9 business as an air common carrier, for a flight destined for  
10 or returning from a location or locations outside the United  
11 States without regard to previous or subsequent domestic  
12 stopovers.

13 (9) Proceeds of mandatory service charges separately  
14 stated on customers' bills for the purchase and consumption  
15 of food and beverages acquired as an incident to the purchase  
16 of a service from a serviceman, to the extent that the  
17 proceeds of the service charge are in fact turned over as  
18 tips or as a substitute for tips to the employees who  
19 participate directly in preparing, serving, hosting or  
20 cleaning up the food or beverage function with respect to  
21 which the service charge is imposed.

22 (10) Oil field exploration, drilling, and production  
23 equipment, including (i) rigs and parts of rigs, rotary rigs,  
24 cable tool rigs, and workover rigs, (ii) pipe and tubular  
25 goods, including casing and drill strings, (iii) pumps and  
26 pump-jack units, (iv) storage tanks and flow lines, (v) any  
27 individual replacement part for oil field exploration,  
28 drilling, and production equipment, and (vi) machinery and  
29 equipment purchased for lease; but excluding motor vehicles  
30 required to be registered under the Illinois Vehicle Code.

31 (11) Proceeds from the sale of photoprocessing machinery  
32 and equipment, including repair and replacement parts, both  
33 new and used, including that manufactured on special order,  
34 certified by the purchaser to be used primarily for

1 photoprocessing, and including photoprocessing machinery and  
2 equipment purchased for lease.

3 (12) Coal exploration, mining, offhighway hauling,  
4 processing, maintenance, and reclamation equipment, including  
5 replacement parts and equipment, and including equipment  
6 purchased for lease, but excluding motor vehicles required to  
7 be registered under the Illinois Vehicle Code.

8 (13) Semen used for artificial insemination of livestock  
9 for direct agricultural production.

10 (14) Horses, or interests in horses, registered with and  
11 meeting the requirements of any of the Arabian Horse Club  
12 Registry of America, Appaloosa Horse Club, American Quarter  
13 Horse Association, United States Trotting Association, or  
14 Jockey Club, as appropriate, used for purposes of breeding or  
15 racing for prizes.

16 (15) Computers and communications equipment utilized for  
17 any hospital purpose and equipment used in the diagnosis,  
18 analysis, or treatment of hospital patients purchased by a  
19 lessor who leases the equipment, under a lease of one year or  
20 longer executed or in effect at the time the lessor would  
21 otherwise be subject to the tax imposed by this Act, to a  
22 hospital that has been issued an active tax exemption  
23 identification number by the Department under Section 1g of  
24 the Retailers' Occupation Tax Act. If the equipment is leased  
25 in a manner that does not qualify for this exemption or is  
26 used in any other non-exempt manner, the lessor shall be  
27 liable for the tax imposed under this Act or the Use Tax Act,  
28 as the case may be, based on the fair market value of the  
29 property at the time the non-qualifying use occurs. No  
30 lessor shall collect or attempt to collect an amount (however  
31 designated) that purports to reimburse that lessor for the  
32 tax imposed by this Act or the Use Tax Act, as the case may  
33 be, if the tax has not been paid by the lessor. If a lessor  
34 improperly collects any such amount from the lessee, the

1 lessee shall have a legal right to claim a refund of that  
2 amount from the lessor. If, however, that amount is not  
3 refunded to the lessee for any reason, the lessor is liable  
4 to pay that amount to the Department.

5 (16) Personal property purchased by a lessor who leases  
6 the property, under a lease of one year or longer executed or  
7 in effect at the time the lessor would otherwise be subject  
8 to the tax imposed by this Act, to a governmental body that  
9 has been issued an active tax exemption identification number  
10 by the Department under Section 1g of the Retailers'  
11 Occupation Tax Act. If the property is leased in a manner  
12 that does not qualify for this exemption or is used in any  
13 other non-exempt manner, the lessor shall be liable for the  
14 tax imposed under this Act or the Use Tax Act, as the case  
15 may be, based on the fair market value of the property at the  
16 time the non-qualifying use occurs. No lessor shall collect  
17 or attempt to collect an amount (however designated) that  
18 purports to reimburse that lessor for the tax imposed by this  
19 Act or the Use Tax Act, as the case may be, if the tax has  
20 not been paid by the lessor. If a lessor improperly collects  
21 any such amount from the lessee, the lessee shall have a  
22 legal right to claim a refund of that amount from the lessor.  
23 If, however, that amount is not refunded to the lessee for  
24 any reason, the lessor is liable to pay that amount to the  
25 Department.

26 (17) Beginning with taxable years ending on or after  
27 December 31, 1995 and ending with taxable years ending on or  
28 before December 31, 2004, personal property that is donated  
29 for disaster relief to be used in a State or federally  
30 declared disaster area in Illinois or bordering Illinois by a  
31 manufacturer or retailer that is registered in this State to  
32 a corporation, society, association, foundation, or  
33 institution that has been issued a sales tax exemption  
34 identification number by the Department that assists victims

1 of the disaster who reside within the declared disaster area.

2 (18) Beginning with taxable years ending on or after  
3 December 31, 1995 and ending with taxable years ending on or  
4 before December 31, 2004, personal property that is used in  
5 the performance of infrastructure repairs in this State,  
6 including but not limited to municipal roads and streets,  
7 access roads, bridges, sidewalks, waste disposal systems,  
8 water and sewer line extensions, water distribution and  
9 purification facilities, storm water drainage and retention  
10 facilities, and sewage treatment facilities, resulting from a  
11 State or federally declared disaster in Illinois or bordering  
12 Illinois when such repairs are initiated on facilities  
13 located in the declared disaster area within 6 months after  
14 the disaster.

15 (19) Beginning July 1, 1999, game or game birds  
16 purchased at a "game breeding and hunting preserve area" or  
17 an "exotic game hunting area" as those terms are used in the  
18 Wildlife Code or at a hunting enclosure approved through  
19 rules adopted by the Department of Natural Resources. This  
20 paragraph is exempt from the provisions of Section 3-75.

21 (20) ~~(19)~~ A motor vehicle, as that term is defined in  
22 Section 1-146 of the Illinois Vehicle Code, that is donated  
23 to a corporation, limited liability company, society,  
24 association, foundation, or institution that is determined by  
25 the Department to be organized and operated exclusively for  
26 educational purposes. For purposes of this exemption, "a  
27 corporation, limited liability company, society, association,  
28 foundation, or institution organized and operated exclusively  
29 for educational purposes" means all tax-supported public  
30 schools, private schools that offer systematic instruction in  
31 useful branches of learning by methods common to public  
32 schools and that compare favorably in their scope and  
33 intensity with the course of study presented in tax-supported  
34 schools, and vocational or technical schools or institutes

1 organized and operated exclusively to provide a course of  
 2 study of not less than 6 weeks duration and designed to  
 3 prepare individuals to follow a trade or to pursue a manual,  
 4 technical, mechanical, industrial, business, or commercial  
 5 occupation.

6 (21) ~~(20)~~ Beginning January 1, 2000, personal property,  
 7 including food, purchased through fundraising events for the  
 8 benefit of a public or private elementary or secondary  
 9 school, a group of those schools, or one or more school  
 10 districts if the events are sponsored by an entity recognized  
 11 by the school district that consists primarily of volunteers  
 12 and includes parents and teachers of the school children.  
 13 This paragraph does not apply to fundraising events (i) for  
 14 the benefit of private home instruction or (ii) for which the  
 15 fundraising entity purchases the personal property sold at  
 16 the events from another individual or entity that sold the  
 17 property for the purpose of resale by the fundraising entity  
 18 and that profits from the sale to the fundraising entity.  
 19 This paragraph is exempt from the provisions of Section 3-75.

20 (22) ~~(19)~~ Beginning January 1, 2000, new or used  
 21 automatic vending machines that prepare and serve hot food  
 22 and beverages, including coffee, soup, and other items, and  
 23 replacement parts for these machines. This paragraph is  
 24 exempt from the provisions of Section 3-75.

25 (23) Beginning on January 1, 2002, the following items  
 26 used in connection with commercial grain elevators: (i) grain  
 27 bins used to store grain for resale, (ii) aeration equipment,  
 28 and (iii) grain handling equipment.

29 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
 30 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
 31 7-20-99; 91-439, eff. 8-6-99; 91-637, eff. 8-20-99; 91-644,  
 32 eff. 8-20-99; revised 9-29-99.)

33 Section 15. The Service Occupation Tax Act is amended by



1 changing Section 3-5 as follows:

2 (35 ILCS 115/3-5) (from Ch. 120, par. 439.103-5)

3 Sec. 3-5. Exemptions. The following tangible personal  
4 property is exempt from the tax imposed by this Act:

5 (1) Personal property sold by a corporation, society,  
6 association, foundation, institution, or organization, other  
7 than a limited liability company, that is organized and  
8 operated as a not-for-profit service enterprise for the  
9 benefit of persons 65 years of age or older if the personal  
10 property was not purchased by the enterprise for the purpose  
11 of resale by the enterprise.

12 (2) Personal property purchased by a not-for-profit  
13 Illinois county fair association for use in conducting,  
14 operating, or promoting the county fair.

15 (3) Personal property purchased by any not-for-profit  
16 arts or cultural organization that establishes, by proof  
17 required by the Department by rule, that it has received an  
18 exemption under Section 501(c)(3) of the Internal Revenue  
19 Code and that is organized and operated for the presentation  
20 or support of arts or cultural programming, activities, or  
21 services. These organizations include, but are not limited  
22 to, music and dramatic arts organizations such as symphony  
23 orchestras and theatrical groups, arts and cultural service  
24 organizations, local arts councils, visual arts  
25 organizations, and media arts organizations.

26 (4) Legal tender, currency, medallions, or gold or  
27 silver coinage issued by the State of Illinois, the  
28 government of the United States of America, or the government  
29 of any foreign country, and bullion.

30 (5) Graphic arts machinery and equipment, including  
31 repair and replacement parts, both new and used, and  
32 including that manufactured on special order or purchased for  
33 lease, certified by the purchaser to be used primarily for

1 graphic arts production.

2 (6) Personal property sold by a teacher-sponsored  
3 student organization affiliated with an elementary or  
4 secondary school located in Illinois.

5 (7) Farm machinery and equipment, both new and used,  
6 including that manufactured on special order, certified by  
7 the purchaser to be used primarily for production agriculture  
8 or State or federal agricultural programs, including  
9 individual replacement parts for the machinery and equipment,  
10 including machinery and equipment purchased for lease, and  
11 including implements of husbandry defined in Section 1-130 of  
12 the Illinois Vehicle Code, farm machinery and agricultural  
13 chemical and fertilizer spreaders, and nurse wagons required  
14 to be registered under Section 3-809 of the Illinois Vehicle  
15 Code, but excluding other motor vehicles required to be  
16 registered under the Illinois Vehicle Code. Horticultural  
17 polyhouses or hoop houses used for propagating, growing, or  
18 overwintering plants shall be considered farm machinery and  
19 equipment under this item (7). Agricultural chemical tender  
20 tanks and dry boxes shall include units sold separately from  
21 a motor vehicle required to be licensed and units sold  
22 mounted on a motor vehicle required to be licensed if the  
23 selling price of the tender is separately stated.

24 Farm machinery and equipment shall include precision  
25 farming equipment that is installed or purchased to be  
26 installed on farm machinery and equipment including, but not  
27 limited to, tractors, harvesters, sprayers, planters,  
28 seeders, or spreaders. Precision farming equipment includes,  
29 but is not limited to, soil testing sensors, computers,  
30 monitors, software, global positioning and mapping systems,  
31 and other such equipment.

32 Farm machinery and equipment also includes computers,  
33 sensors, software, and related equipment used primarily in  
34 the computer-assisted operation of production agriculture

1 facilities, equipment, and activities such as, but not  
2 limited to, the collection, monitoring, and correlation of  
3 animal and crop data for the purpose of formulating animal  
4 diets and agricultural chemicals. This item (7) is exempt  
5 from the provisions of Section 3-55.

6 (8) Fuel and petroleum products sold to or used by an  
7 air common carrier, certified by the carrier to be used for  
8 consumption, shipment, or storage in the conduct of its  
9 business as an air common carrier, for a flight destined for  
10 or returning from a location or locations outside the United  
11 States without regard to previous or subsequent domestic  
12 stopovers.

13 (9) Proceeds of mandatory service charges separately  
14 stated on customers' bills for the purchase and consumption  
15 of food and beverages, to the extent that the proceeds of the  
16 service charge are in fact turned over as tips or as a  
17 substitute for tips to the employees who participate directly  
18 in preparing, serving, hosting or cleaning up the food or  
19 beverage function with respect to which the service charge is  
20 imposed.

21 (10) Oil field exploration, drilling, and production  
22 equipment, including (i) rigs and parts of rigs, rotary rigs,  
23 cable tool rigs, and workover rigs, (ii) pipe and tubular  
24 goods, including casing and drill strings, (iii) pumps and  
25 pump-jack units, (iv) storage tanks and flow lines, (v) any  
26 individual replacement part for oil field exploration,  
27 drilling, and production equipment, and (vi) machinery and  
28 equipment purchased for lease; but excluding motor vehicles  
29 required to be registered under the Illinois Vehicle Code.

30 (11) Photoprocessing machinery and equipment, including  
31 repair and replacement parts, both new and used, including  
32 that manufactured on special order, certified by the  
33 purchaser to be used primarily for photoprocessing, and  
34 including photoprocessing machinery and equipment purchased

1 for lease.

2 (12) Coal exploration, mining, offhighway hauling,  
3 processing, maintenance, and reclamation equipment, including  
4 replacement parts and equipment, and including equipment  
5 purchased for lease, but excluding motor vehicles required to  
6 be registered under the Illinois Vehicle Code.

7 (13) Food for human consumption that is to be consumed  
8 off the premises where it is sold (other than alcoholic  
9 beverages, soft drinks and food that has been prepared for  
10 immediate consumption) and prescription and non-prescription  
11 medicines, drugs, medical appliances, and insulin, urine  
12 testing materials, syringes, and needles used by diabetics,  
13 for human use, when purchased for use by a person receiving  
14 medical assistance under Article 5 of the Illinois Public Aid  
15 Code who resides in a licensed long-term care facility, as  
16 defined in the Nursing Home Care Act.

17 (14) Semen used for artificial insemination of livestock  
18 for direct agricultural production.

19 (15) Horses, or interests in horses, registered with and  
20 meeting the requirements of any of the Arabian Horse Club  
21 Registry of America, Appaloosa Horse Club, American Quarter  
22 Horse Association, United States Trotting Association, or  
23 Jockey Club, as appropriate, used for purposes of breeding or  
24 racing for prizes.

25 (16) Computers and communications equipment utilized for  
26 any hospital purpose and equipment used in the diagnosis,  
27 analysis, or treatment of hospital patients sold to a lessor  
28 who leases the equipment, under a lease of one year or longer  
29 executed or in effect at the time of the purchase, to a  
30 hospital that has been issued an active tax exemption  
31 identification number by the Department under Section 1g of  
32 the Retailers' Occupation Tax Act.

33 (17) Personal property sold to a lessor who leases the  
34 property, under a lease of one year or longer executed or in

1 effect at the time of the purchase, to a governmental body  
2 that has been issued an active tax exemption identification  
3 number by the Department under Section 1g of the Retailers'  
4 Occupation Tax Act.

5 (18) Beginning with taxable years ending on or after  
6 December 31, 1995 and ending with taxable years ending on or  
7 before December 31, 2004, personal property that is donated  
8 for disaster relief to be used in a State or federally  
9 declared disaster area in Illinois or bordering Illinois by a  
10 manufacturer or retailer that is registered in this State to  
11 a corporation, society, association, foundation, or  
12 institution that has been issued a sales tax exemption  
13 identification number by the Department that assists victims  
14 of the disaster who reside within the declared disaster area.

15 (19) Beginning with taxable years ending on or after  
16 December 31, 1995 and ending with taxable years ending on or  
17 before December 31, 2004, personal property that is used in  
18 the performance of infrastructure repairs in this State,  
19 including but not limited to municipal roads and streets,  
20 access roads, bridges, sidewalks, waste disposal systems,  
21 water and sewer line extensions, water distribution and  
22 purification facilities, storm water drainage and retention  
23 facilities, and sewage treatment facilities, resulting from a  
24 State or federally declared disaster in Illinois or bordering  
25 Illinois when such repairs are initiated on facilities  
26 located in the declared disaster area within 6 months after  
27 the disaster.

28 (20) Beginning July 1, 1999, game or game birds sold at  
29 a "game breeding and hunting preserve area" or an "exotic  
30 game hunting area" as those terms are used in the Wildlife  
31 Code or at a hunting enclosure approved through rules adopted  
32 by the Department of Natural Resources. This paragraph is  
33 exempt from the provisions of Section 3-55.

34 (21) ~~(20)~~ A motor vehicle, as that term is defined in

1 Section 1-146 of the Illinois Vehicle Code, that is donated  
2 to a corporation, limited liability company, society,  
3 association, foundation, or institution that is determined by  
4 the Department to be organized and operated exclusively for  
5 educational purposes. For purposes of this exemption, "a  
6 corporation, limited liability company, society, association,  
7 foundation, or institution organized and operated exclusively  
8 for educational purposes" means all tax-supported public  
9 schools, private schools that offer systematic instruction in  
10 useful branches of learning by methods common to public  
11 schools and that compare favorably in their scope and  
12 intensity with the course of study presented in tax-supported  
13 schools, and vocational or technical schools or institutes  
14 organized and operated exclusively to provide a course of  
15 study of not less than 6 weeks duration and designed to  
16 prepare individuals to follow a trade or to pursue a manual,  
17 technical, mechanical, industrial, business, or commercial  
18 occupation.

19 (22) ~~(21)~~ Beginning January 1, 2000, personal property,  
20 including food, purchased through fundraising events for the  
21 benefit of a public or private elementary or secondary  
22 school, a group of those schools, or one or more school  
23 districts if the events are sponsored by an entity recognized  
24 by the school district that consists primarily of volunteers  
25 and includes parents and teachers of the school children.  
26 This paragraph does not apply to fundraising events (i) for  
27 the benefit of private home instruction or (ii) for which the  
28 fundraising entity purchases the personal property sold at  
29 the events from another individual or entity that sold the  
30 property for the purpose of resale by the fundraising entity  
31 and that profits from the sale to the fundraising entity.  
32 This paragraph is exempt from the provisions of Section 3-55.

33 (23) ~~(20)~~ Beginning January 1, 2000, new or used  
34 automatic vending machines that prepare and serve hot food

1 and beverages, including coffee, soup, and other items, and  
2 replacement parts for these machines. This paragraph is  
3 exempt from the provisions of Section 3-55.

4 (24) Beginning on January 1, 2002, the following items  
5 used in connection with commercial grain elevators: (i) grain  
6 bins used to store grain for resale, (ii) aeration equipment,  
7 and (iii) grain handling equipment.

8 (Source: P.A. 90-14, eff. 7-1-97; 90-552, eff. 12-12-97;  
9 90-605, eff. 6-30-98; 91-51, eff. 6-30-99; 91-200, eff.  
10 7-20-99; 91-439, eff. 8-6-99; 91-533, eff. 8-13-99; 91-637,  
11 eff. 8-20-99; 91-644, eff. 8-20-99; revised 9-29-99.)

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

14 (35 ILCS 120/2-5) (from Ch. 120, par. 441-5)

15 Sec. 2-5. Exemptions. Gross receipts from proceeds from  
16 the sale of the following tangible personal property are  
17 exempt from the tax imposed by this Act:

- 18 (1) Farm chemicals.
- 19 (2) Farm machinery and equipment, both new and used,  
20 including that manufactured on special order, certified by  
21 the purchaser to be used primarily for production agriculture  
22 or State or federal agricultural programs, including  
23 individual replacement parts for the machinery and equipment,  
24 including machinery and equipment purchased for lease, and  
25 including implements of husbandry defined in Section 1-130 of  
26 the Illinois Vehicle Code, farm machinery and agricultural  
27 chemical and fertilizer spreaders, and nurse wagons required  
28 to be registered under Section 3-809 of the Illinois Vehicle  
29 Code, but excluding other motor vehicles required to be  
30 registered under the Illinois Vehicle Code. Horticultural  
31 polyhouses or hoop houses used for propagating, growing, or  
32 overwintering plants shall be considered farm machinery and

1 equipment under this item (2). Agricultural chemical tender  
2 tanks and dry boxes shall include units sold separately from  
3 a motor vehicle required to be licensed and units sold  
4 mounted on a motor vehicle required to be licensed, if the  
5 selling price of the tender is separately stated.

6 Farm machinery and equipment shall include precision  
7 farming equipment that is installed or purchased to be  
8 installed on farm machinery and equipment including, but not  
9 limited to, tractors, harvesters, sprayers, planters,  
10 seeders, or spreaders. Precision farming equipment includes,  
11 but is not limited to, soil testing sensors, computers,  
12 monitors, software, global positioning and mapping systems,  
13 and other such equipment.

14 Farm machinery and equipment also includes computers,  
15 sensors, software, and related equipment used primarily in  
16 the computer-assisted operation of production agriculture  
17 facilities, equipment, and activities such as, but not  
18 limited to, the collection, monitoring, and correlation of  
19 animal and crop data for the purpose of formulating animal  
20 diets and agricultural chemicals. This item (7) is exempt  
21 from the provisions of Section 2-70.

22 (3) Distillation machinery and equipment, sold as a unit  
23 or kit, assembled or installed by the retailer, certified by  
24 the user to be used only for the production of ethyl alcohol  
25 that will be used for consumption as motor fuel or as a  
26 component of motor fuel for the personal use of the user, and  
27 not subject to sale or resale.

28 (4) Graphic arts machinery and equipment, including  
29 repair and replacement parts, both new and used, and  
30 including that manufactured on special order or purchased for  
31 lease, certified by the purchaser to be used primarily for  
32 graphic arts production.

33 (5) A motor vehicle of the first division, a motor  
34 vehicle of the second division that is a self-contained motor



1 vehicle designed or permanently converted to provide living  
2 quarters for recreational, camping, or travel use, with  
3 direct walk through access to the living quarters from the  
4 driver's seat, or a motor vehicle of the second division that  
5 is of the van configuration designed for the transportation  
6 of not less than 7 nor more than 16 passengers, as defined in  
7 Section 1-146 of the Illinois Vehicle Code, that is used for  
8 automobile renting, as defined in the Automobile Renting  
9 Occupation and Use Tax Act.

10 (6) Personal property sold by a teacher-sponsored  
11 student organization affiliated with an elementary or  
12 secondary school located in Illinois.

13 (7) Proceeds of that portion of the selling price of a  
14 passenger car the sale of which is subject to the Replacement  
15 Vehicle Tax.

16 (8) Personal property sold to an Illinois county fair  
17 association for use in conducting, operating, or promoting  
18 the county fair.

19 (9) Personal property sold to a not-for-profit arts or  
20 cultural organization that establishes, by proof required by  
21 the Department by rule, that it has received an exemption  
22 under Section 501(c)(3) of the Internal Revenue Code and that  
23 is organized and operated for the presentation or support of  
24 arts or cultural programming, activities, or services. These  
25 organizations include, but are not limited to, music and  
26 dramatic arts organizations such as symphony orchestras and  
27 theatrical groups, arts and cultural service organizations,  
28 local arts councils, visual arts organizations, and media  
29 arts organizations.

30 (10) Personal property sold by a corporation, society,  
31 association, foundation, institution, or organization, other  
32 than a limited liability company, that is organized and  
33 operated as a not-for-profit service enterprise for the  
34 benefit of persons 65 years of age or older if the personal

1 property was not purchased by the enterprise for the purpose  
2 of resale by the enterprise.

3 (11) Personal property sold to a governmental body, to a  
4 corporation, society, association, foundation, or institution  
5 organized and operated exclusively for charitable, religious,  
6 or educational purposes, or to a not-for-profit corporation,  
7 society, association, foundation, institution, or  
8 organization that has no compensated officers or employees  
9 and that is organized and operated primarily for the  
10 recreation of persons 55 years of age or older. A limited  
11 liability company may qualify for the exemption under this  
12 paragraph only if the limited liability company is organized  
13 and operated exclusively for educational purposes. On and  
14 after July 1, 1987, however, no entity otherwise eligible for  
15 this exemption shall make tax-free purchases unless it has an  
16 active identification number issued by the Department.

17 (12) Personal property sold to interstate carriers for  
18 hire for use as rolling stock moving in interstate commerce  
19 or to lessors under leases of one year or longer executed or  
20 in effect at the time of purchase by interstate carriers for  
21 hire for use as rolling stock moving in interstate commerce  
22 and equipment operated by a telecommunications provider,  
23 licensed as a common carrier by the Federal Communications  
24 Commission, which is permanently installed in or affixed to  
25 aircraft moving in interstate commerce.

26 (13) Proceeds from sales to owners, lessors, or shippers  
27 of tangible personal property that is utilized by interstate  
28 carriers for hire for use as rolling stock moving in  
29 interstate commerce and equipment operated by a  
30 telecommunications provider, licensed as a common carrier by  
31 the Federal Communications Commission, which is permanently  
32 installed in or affixed to aircraft moving in interstate  
33 commerce.

34 (14) Machinery and equipment that will be used by the

1 purchaser, or a lessee of the purchaser, primarily in the  
2 process of manufacturing or assembling tangible personal  
3 property for wholesale or retail sale or lease, whether the  
4 sale or lease is made directly by the manufacturer or by some  
5 other person, whether the materials used in the process are  
6 owned by the manufacturer or some other person, or whether  
7 the sale or lease is made apart from or as an incident to the  
8 seller's engaging in the service occupation of producing  
9 machines, tools, dies, jigs, patterns, gauges, or other  
10 similar items of no commercial value on special order for a  
11 particular purchaser.

12 (15) Proceeds of mandatory service charges separately  
13 stated on customers' bills for purchase and consumption of  
14 food and beverages, to the extent that the proceeds of the  
15 service charge are in fact turned over as tips or as a  
16 substitute for tips to the employees who participate directly  
17 in preparing, serving, hosting or cleaning up the food or  
18 beverage function with respect to which the service charge is  
19 imposed.

20 (16) Petroleum products sold to a purchaser if the  
21 seller is prohibited by federal law from charging tax to the  
22 purchaser.

23 (17) Tangible personal property sold to a common carrier  
24 by rail or motor that receives the physical possession of the  
25 property in Illinois and that transports the property, or  
26 shares with another common carrier in the transportation of  
27 the property, out of Illinois on a standard uniform bill of  
28 lading showing the seller of the property as the shipper or  
29 consignor of the property to a destination outside Illinois,  
30 for use outside Illinois.

31 (18) Legal tender, currency, medallions, or gold or  
32 silver coinage issued by the State of Illinois, the  
33 government of the United States of America, or the government  
34 of any foreign country, and bullion.

1           (19) Oil field exploration, drilling, and production  
2 equipment, including (i) rigs and parts of rigs, rotary rigs,  
3 cable tool rigs, and workover rigs, (ii) pipe and tubular  
4 goods, including casing and drill strings, (iii) pumps and  
5 pump-jack units, (iv) storage tanks and flow lines, (v) any  
6 individual replacement part for oil field exploration,  
7 drilling, and production equipment, and (vi) machinery and  
8 equipment purchased for lease; but excluding motor vehicles  
9 required to be registered under the Illinois Vehicle Code.

10           (20) Photoprocessing machinery and equipment, including  
11 repair and replacement parts, both new and used, including  
12 that manufactured on special order, certified by the  
13 purchaser to be used primarily for photoprocessing, and  
14 including photoprocessing machinery and equipment purchased  
15 for lease.

16           (21) Coal exploration, mining, offhighway hauling,  
17 processing, maintenance, and reclamation equipment, including  
18 replacement parts and equipment, and including equipment  
19 purchased for lease, but excluding motor vehicles required to  
20 be registered under the Illinois Vehicle Code.

21           (22) Fuel and petroleum products sold to or used by an  
22 air carrier, certified by the carrier to be used for  
23 consumption, shipment, or storage in the conduct of its  
24 business as an air common carrier, for a flight destined for  
25 or returning from a location or locations outside the United  
26 States without regard to previous or subsequent domestic  
27 stopovers.

28           (23) A transaction in which the purchase order is  
29 received by a florist who is located outside Illinois, but  
30 who has a florist located in Illinois deliver the property to  
31 the purchaser or the purchaser's donee in Illinois.

32           (24) Fuel consumed or used in the operation of ships,  
33 barges, or vessels that are used primarily in or for the  
34 transportation of property or the conveyance of persons for

1 hire on rivers bordering on this State if the fuel is  
2 delivered by the seller to the purchaser's barge, ship, or  
3 vessel while it is afloat upon that bordering river.

4 (25) A motor vehicle sold in this State to a nonresident  
5 even though the motor vehicle is delivered to the nonresident  
6 in this State, if the motor vehicle is not to be titled in  
7 this State, and if a driveaway decal permit is issued to the  
8 motor vehicle as provided in Section 3-603 of the Illinois  
9 Vehicle Code or if the nonresident purchaser has vehicle  
10 registration plates to transfer to the motor vehicle upon  
11 returning to his or her home state. The issuance of the  
12 driveaway decal permit or having the out-of-state  
13 registration plates to be transferred is prima facie evidence  
14 that the motor vehicle will not be titled in this State.

15 (26) Semen used for artificial insemination of livestock  
16 for direct agricultural production.

17 (27) Horses, or interests in horses, registered with and  
18 meeting the requirements of any of the Arabian Horse Club  
19 Registry of America, Appaloosa Horse Club, American Quarter  
20 Horse Association, United States Trotting Association, or  
21 Jockey Club, as appropriate, used for purposes of breeding or  
22 racing for prizes.

23 (28) Computers and communications equipment utilized for  
24 any hospital purpose and equipment used in the diagnosis,  
25 analysis, or treatment of hospital patients sold to a lessor  
26 who leases the equipment, under a lease of one year or longer  
27 executed or in effect at the time of the purchase, to a  
28 hospital that has been issued an active tax exemption  
29 identification number by the Department under Section 1g of  
30 this Act.

31 (29) Personal property sold to a lessor who leases the  
32 property, under a lease of one year or longer executed or in  
33 effect at the time of the purchase, to a governmental body  
34 that has been issued an active tax exemption identification

1 number by the Department under Section 1g of this Act.

2 (30) Beginning with taxable years ending on or after  
3 December 31, 1995 and ending with taxable years ending on or  
4 before December 31, 2004, personal property that is donated  
5 for disaster relief to be used in a State or federally  
6 declared disaster area in Illinois or bordering Illinois by a  
7 manufacturer or retailer that is registered in this State to  
8 a corporation, society, association, foundation, or  
9 institution that has been issued a sales tax exemption  
10 identification number by the Department that assists victims  
11 of the disaster who reside within the declared disaster area.

12 (31) Beginning with taxable years ending on or after  
13 December 31, 1995 and ending with taxable years ending on or  
14 before December 31, 2004, personal property that is used in  
15 the performance of infrastructure repairs in this State,  
16 including but not limited to municipal roads and streets,  
17 access roads, bridges, sidewalks, waste disposal systems,  
18 water and sewer line extensions, water distribution and  
19 purification facilities, storm water drainage and retention  
20 facilities, and sewage treatment facilities, resulting from a  
21 State or federally declared disaster in Illinois or bordering  
22 Illinois when such repairs are initiated on facilities  
23 located in the declared disaster area within 6 months after  
24 the disaster.

25 (32) Beginning July 1, 1999, game or game birds sold at  
26 a "game breeding and hunting preserve area" or an "exotic  
27 game hunting area" as those terms are used in the Wildlife  
28 Code or at a hunting enclosure approved through rules adopted  
29 by the Department of Natural Resources. This paragraph is  
30 exempt from the provisions of Section 2-70.

31 ~~(33)~~ (32) A motor vehicle, as that term is defined in  
32 Section 1-146 of the Illinois Vehicle Code, that is donated  
33 to a corporation, limited liability company, society,  
34 association, foundation, or institution that is determined by

1 the Department to be organized and operated exclusively for  
2 educational purposes. For purposes of this exemption, "a  
3 corporation, limited liability company, society, association,  
4 foundation, or institution organized and operated exclusively  
5 for educational purposes" means all tax-supported public  
6 schools, private schools that offer systematic instruction in  
7 useful branches of learning by methods common to public  
8 schools and that compare favorably in their scope and  
9 intensity with the course of study presented in tax-supported  
10 schools, and vocational or technical schools or institutes  
11 organized and operated exclusively to provide a course of  
12 study of not less than 6 weeks duration and designed to  
13 prepare individuals to follow a trade or to pursue a manual,  
14 technical, mechanical, industrial, business, or commercial  
15 occupation.

16 (34) ~~(33)~~ Beginning January 1, 2000, personal property,  
17 including food, purchased through fundraising events for the  
18 benefit of a public or private elementary or secondary  
19 school, a group of those schools, or one or more school  
20 districts if the events are sponsored by an entity recognized  
21 by the school district that consists primarily of volunteers  
22 and includes parents and teachers of the school children.  
23 This paragraph does not apply to fundraising events (i) for  
24 the benefit of private home instruction or (ii) for which the  
25 fundraising entity purchases the personal property sold at  
26 the events from another individual or entity that sold the  
27 property for the purpose of resale by the fundraising entity  
28 and that profits from the sale to the fundraising entity.  
29 This paragraph is exempt from the provisions of Section 2-70.

30 (35) ~~(32)~~ Beginning January 1, 2000, new or used  
31 automatic vending machines that prepare and serve hot food  
32 and beverages, including coffee, soup, and other items, and  
33 replacement parts for these machines. This paragraph is  
34 exempt from the provisions of Section 2-70.

1       (36) Beginning on January 1, 2002, the following items  
2       used in connection with commercial grain elevators: (i) grain  
3       bins used to store grain for resale, (ii) aeration equipment,  
4       and (iii) grain handling equipment.

5       (Source: P.A. 90-14, eff. 7-1-97; 90-519, eff. 6-1-98;  
6       90-552, eff. 12-12-97; 90-605, eff. 6-30-98; 91-51, eff.  
7       6-30-99; 91-200, eff. 7-20-99; 91-439, eff. 8-6-99; 91-533,  
8       eff. 8-13-99; 91-637, eff. 8-20-99; 91-644, eff. 8-20-99;  
9       revised 9-28-99.)

10       Section 99. Effective date. This Act takes effect upon  
11       becoming law.