

1 AN ACT concerning taxation.

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 Simplified Sales and Use Tax Administration Act.

6 Section 2. Definitions. As used in this Act:

7 (a) "Agreement" means the Streamlined Sales and Use Tax
8 Agreement as amended and adopted on January 27, 2001.

9 (b) "Certified Automated System" means software
10 certified jointly by the states that are signatories to the
11 Agreement to calculate the tax imposed by each jurisdiction
12 on a transaction, determine the amount of tax to remit to the
13 appropriate state, and maintain a record of the transaction.

14 (c) "Certified Service Provider" means an agent
15 certified jointly by the states that are signatories to the
16 Agreement to perform all of the seller's sales tax functions.

17 (d) "Person" means an individual, trust, estate,
18 fiduciary, partnership, limited liability company, limited
19 liability partnership, corporation, or any other legal
20 entity.

21 (e) "Sales Tax" means the tax levied under the Service
22 Occupation Tax Act (35 ILCS 115/) and the Retailers'
23 Occupation Tax Act (35 ILCS 120/). "Sales tax" also means
24 any local sales tax levied under the Home Rule Municipal
25 Retailers' Occupation Tax Act (65 ILCS 5/8-11-1), the
26 Non-Home Rule Municipal Retailers' Occupation Tax Act (65
27 ILCS 5/8-11-1.3), the Non-Home Rule Municipal Service
28 Occupation Tax Act (65 ILCS 5/8-11-1.4), the Home Rule
29 Municipal Service Occupation Tax (65 ILCS 5/8-11-5), the Home
30 Rule County Retailers' Occupation Tax Law (55 ILCS 5/5-1006),
31 the Special County Occupation Tax for Public Safety Law (55

1 ILCS 5/5-1006.5), the Home Rule County Service Occupation Tax
2 Law (55 ILCS 5/5-1007), subsection (b) of the Rock Island
3 County Use and Occupation Tax Law (55 ILCS 5/5-1008.5(b)),
4 the Metro East Mass Transit District Retailers' Occupation
5 Tax (70 ILCS 3610/5.01(b)), the Metro East Mass Transit
6 District Service Occupation Tax (70 ILCS 3610/5.01(c)), the
7 Regional Transportation Authority Retailers' Occupation Tax
8 (70 ILCS 3615/4.03(e)), the Regional Transportation Authority
9 Service Occupation Tax (70 ILCS 3615/4.03(f)), the County
10 Water Commission Retailers' Occupation Tax (70 ILCS
11 3720/4(b)), or the County Water Commission Service Occupation
12 Tax (70 ILCS 3720/4(c)).

13 (f) "Seller" means any person making sales of personal
14 property or services.

15 (g) "State" means any state of the United States and the
16 District of Columbia.

17 (h) "Use tax" means the tax levied under the Use Tax Act
18 (35 ILCS 105/) and the Service Use Tax Act (35 ILCS 110/).
19 "Use tax" also means any local use tax levied under the Home
20 Rule Municipal Use Tax Act (65 ILCS 5/8-11-6(b)), provided
21 that the State and the municipality have entered into an
22 agreement that provides for administration of the tax by the
23 State.

24 Section 3. Legislative finding. The General Assembly
25 finds that a simplified sales tax and use tax system will
26 reduce and over time eliminate the burden and cost for all
27 vendors to collect this State's sales and use tax. The
28 General Assembly further finds that this State should
29 participate in multistate discussions to review or amend or
30 both review and amend the terms of the Agreement to simplify
31 and modernize sales tax and use tax administration in order
32 to substantially reduce the burden of tax compliance for all
33 sellers and for all types of commerce.

1 Section 4. Authority to participate in multistate
2 negotiations. For the purposes of reviewing or amending or
3 both reviewing and amending the Agreement embodying the
4 simplification requirements as contained in Section 7 of this
5 Act, the State shall enter into multistate discussions. For
6 purposes of such discussions, the State shall be represented
7 by 4 delegates. One delegate shall be appointed by the
8 President of the Senate, one by the Minority Leader of the
9 Senate, one by the Speaker of the House of Representatives,
10 and one by the Minority Leader of the House of
11 Representatives.

12 Section 5. Authority to enter agreement. Subject to
13 Section 6, the Department of Revenue is authorized to enter
14 into the Streamlined Sales and Use Tax Agreement with one or
15 more states to simplify and modernize sales and use tax
16 administration in order to substantially reduce the burden of
17 tax compliance for all sellers and for all types of commerce.
18 In furtherance of the Agreement, the Department of Revenue is
19 authorized to act jointly with other states that are members
20 of the Agreement to establish standards for certification of
21 a certified service provider and certified automated system
22 and establish performance standards for multistate sellers.

23 The Department of Revenue is further authorized to take
24 other actions reasonably required to implement the provisions
25 set forth in this Act. Other actions authorized by this
26 Section include, but are not limited to, the adoption of
27 rules and regulations and the joint procurement, with other
28 member states, of goods and services in furtherance of the
29 cooperative agreement.

30 The Director of Revenue or the Director's designee is
31 authorized to represent this State before the other states
32 that are signatories to the Agreement.

1 Section 6. Relationship to State law. No provision of
2 the Agreement authorized by this Act in whole or part
3 invalidates or amends any provision of the law of this State.
4 Adoption of the Agreement by this State does not amend or
5 modify any law of this State. Implementation of any
6 condition of the Agreement in this State, whether adopted
7 before, at, or after membership of this State in the
8 Agreement, must be by the action of this State.

9 Section 7. Agreement requirements. The Department of
10 Revenue shall not enter into the Streamlined Sales and Use
11 Tax Agreement unless the Agreement requires each state to
12 abide by the following requirements:

13 (a) Simplified state rate. The Agreement must set
14 restrictions to limit over time the number of state rates.

15 (b) Uniform standards. The Agreement must establish
16 uniform standards for the following:

17 (1) The sourcing of transactions to taxing
18 jurisdictions.

19 (2) The administration of exempt sales.

20 (3) Sales and use tax returns and remittances.

21 (c) Central registration. The Agreement must provide a
22 central, electronic registration system that allows a seller
23 to register to collect and remit sales and use taxes for all
24 signatory states.

25 (d) No nexus attribution. The Agreement must provide
26 that registration with the central registration system and
27 the collection of sales and use taxes in the signatory states
28 will not be used as a factor in determining whether the
29 seller has nexus with a state for any tax.

30 (e) Local sales and use taxes. The Agreement must
31 provide for reduction of the burdens of complying with local
32 sales and use taxes, as those terms are defined by each
33 signatory state in the Act by which the state authorizes its

1 entry into the Agreement, through the following:

2 (1) Restricting variances between the State and
3 local tax bases.

4 (2) Requiring states to administer any sales and
5 use taxes levied by local jurisdictions within the state
6 so that sellers collecting and remitting these taxes will
7 not have to register or file returns with, remit funds
8 to, or be subject to independent audits from local taxing
9 jurisdictions with regard to these taxes.

10 (3) Restricting the frequency of changes in the
11 local sales and use tax rates and setting effective dates
12 for the application of local jurisdictional boundary
13 changes to local sales and use taxes.

14 (4) Providing notice of changes in local sales and
15 use tax rates and of changes in the boundaries of local
16 taxing jurisdictions.

17 (f) Monetary allowances. The Agreement must outline any
18 monetary allowances that are to be provided by the states to
19 sellers or certified service providers. The Agreement must
20 allow for a joint public and private sector study of the
21 compliance cost on sellers and certified service providers to
22 collect sales and use taxes for state and local governments
23 under various levels of complexity to be completed by July 1,
24 2002.

25 (g) State compliance. The Agreement must require each
26 state to certify compliance with the terms of the Agreement
27 prior to joining and to maintain compliance, under the laws
28 of the member state, with all provisions of the Agreement
29 while a member.

30 (h) Consumer privacy. The Agreement must require each
31 state to adopt a uniform policy for certified service
32 providers that protects the privacy of consumers and
33 maintains the confidentiality of tax information.

34 (i) Advisory councils. The Agreement must provide for

1 the appointment of an advisory council of private sector
2 representatives and an advisory council of non-member state
3 representatives to consult with in the administration of the
4 Agreement.

5 (j) Nothing in the Agreement shall require a signatory
6 state to administer a tax levied by a local jurisdiction
7 unless the tax is a sales tax or use tax as defined by the
8 signatory state in the Act by which the state authorizes its
9 entry into the Agreement.

10 Section 8. Cooperating sovereigns. The Agreement
11 authorized by this Act is an accord among individual
12 cooperating sovereigns in furtherance of their governmental
13 functions. The Agreement provides a mechanism among the
14 member states to establish and maintain a cooperative,
15 simplified system for the application and administration of
16 sales and use taxes under the duly adopted law of each member
17 state.

18 Section 9. Limited binding and beneficial effect.

19 (a) The Agreement authorized by this Act binds and
20 inures only to the benefit of this State and the other member
21 states. No person, other than a member state, is an intended
22 beneficiary of the Agreement. Any benefit to a person other
23 than a state is established by the law of this State and the
24 other member states and not by the terms of the Agreement.

25 (b) Consistent with subsection (a), no person shall have
26 any cause of action or defense under the Agreement or by
27 virtue of this State's approval of the Agreement. No person
28 may challenge, in any action brought under any provision of
29 law, any action or inaction by any department, agency, or
30 other instrumentality of this State, or any political
31 subdivision of this State on the ground that the action or
32 inaction is inconsistent with the Agreement.

1 (c) No law of this State, or the application thereof,
2 may be declared invalid as to any person or circumstance on
3 the ground that the provision or application is inconsistent
4 with the Agreement.

5 Section 10. Seller and third party liability.

6 (a) A certified service provider is the agent of a
7 seller, with whom the certified service provider has
8 contracted, for the collection and remittance of sales and
9 use taxes. As the seller's agent, the certified service
10 provider is liable for sales and use tax due each member
11 state on all sales transactions it processes for the seller
12 except as set out in this Section.

13 A seller that contracts with a certified service provider
14 is not liable to the State for sales or use tax due on
15 transactions processed by the certified service provider
16 unless the seller misrepresented the type of items it sells
17 or committed fraud. In the absence of probable cause to
18 believe that the seller has committed fraud or made a
19 material misrepresentation, the seller is not subject to
20 audit on the transactions processed by the certified service
21 provider. A seller is subject to audit for transactions not
22 processed by the certified service provider. The member
23 states acting jointly may perform a system check of the
24 seller and review the seller's procedures to determine if the
25 certified service provider's system is functioning properly
26 and the extent to which the seller's transactions are being
27 processed by the certified service provider.

28 (b) A person that provides a certified automated system
29 is responsible for the proper functioning of that system and
30 is liable to the State for underpayments of tax attributable
31 to errors in the functioning of the certified automated
32 system. A seller that uses a certified automated system
33 remains responsible and is liable to the State for reporting

1 and remitting tax.

2 (c) A seller that has a proprietary system for
3 determining the amount of tax due on transactions and has
4 signed an agreement establishing a performance standard for
5 that system is liable for the failure of the system to meet
6 the performance standard.

7 Section 905. The Illinois Municipal Code is amended by
8 changing Section 8-11-6 as follows:

9 (65 ILCS 5/8-11-6) (from Ch. 24, par. 8-11-6)

10 Sec. 8-11-6. Home Rule Municipal Use Tax Act.

11 (a) The corporate authorities of a home rule
12 municipality may impose a tax upon the privilege of using, in
13 such municipality, any item of tangible personal property
14 which is purchased at retail from a retailer, and which is
15 titled or registered at a location within the corporate
16 limits of such home rule municipality with an agency of this
17 State's government, at a rate which is an increment of 1/4%
18 and based on the selling price of such tangible personal
19 property, as "selling price" is defined in the Use Tax Act.
20 In home rule municipalities with less than 2,000,000
21 inhabitants, the tax shall be collected by the municipality
22 imposing the tax from persons whose Illinois address for
23 titling or registration purposes is given as being in such
24 municipality.

25 (b) In home rule municipalities with 2,000,000 or more
26 inhabitants, the corporate authorities of the municipality
27 may additionally impose a tax beginning July 1, 1991 upon the
28 privilege of using in the municipality, any item of tangible
29 personal property, other than tangible personal property
30 titled or registered with an agency of the State's
31 government, that is purchased at retail from a retailer
32 located outside the corporate limits of the municipality, at

1 a rate that is an increment of 1/4% not to exceed 1% and
2 based on the selling price of the tangible personal property,
3 as "selling price" is defined in the Use Tax Act. Such tax
4 shall be collected from the purchaser or the retailer either
5 by the municipality imposing such tax or by the Department of
6 Revenue pursuant to an agreement between the Department and
7 the municipality.

8 To prevent multiple home rule taxation, the use in a home
9 rule municipality of tangible personal property that is
10 acquired outside the municipality and caused to be brought
11 into the municipality by a person who has already paid a home
12 rule municipal tax in another municipality in respect to the
13 sale, purchase, or use of that property, shall be exempt to
14 the extent of the amount of the tax properly due and paid in
15 the other home rule municipality.

16 (c) If a municipality having 2,000,000 or more
17 inhabitants imposes the tax authorized by subsection (a),
18 then the tax shall be collected by the Illinois Department of
19 Revenue when the property is purchased at retail from a
20 retailer in the county in which the home rule municipality
21 imposing the tax is located, and in all contiguous counties.
22 The tax shall be remitted to the State, or an exemption
23 determination must be obtained from the Department before the
24 title or certificate of registration for the property may be
25 issued. The tax or proof of exemption may be transmitted to
26 the Department by way of the State agency with which, or
27 State officer with whom, the tangible personal property must
28 be titled or registered if the Department and that agency or
29 State officer determine that this procedure will expedite the
30 processing of applications for title or registration.

31 The Department shall have full power to administer and
32 enforce this Section to collect all taxes, penalties and
33 interest due hereunder, to dispose of taxes, penalties and
34 interest so collected in the manner hereinafter provided, and

1 determine all rights to credit memoranda or refunds arising
2 on account of the erroneous payment of tax, penalty or
3 interest hereunder. In the administration of and compliance
4 with this Section the Department and persons who are subject
5 to this Section shall have the same rights, remedies,
6 privileges, immunities, powers and duties, and be subject to
7 the same conditions, restrictions, limitations, penalties and
8 definitions of terms, and employ the same modes of procedure
9 as are prescribed in Sections 2 (except the definition of
10 "retailer maintaining a place of business in this State"), 3
11 (except provisions pertaining to the State rate of tax, and
12 except provisions concerning collection or refunding of the
13 tax by retailers), 4, 11, 12, 12a, 14, 15, 19, 20, 21 and 22
14 of the Use Tax Act, which are not inconsistent with this
15 Section, as fully as if provisions contained in those
16 Sections of the Use Tax Act were set forth herein.

17 Whenever the Department determines that a refund shall be
18 made under this Section to a claimant instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the order to be drawn for the
21 amount specified, and to the person named, in such
22 notification from the Department. Such refund shall be paid
23 by the State Treasurer out of the home rule municipal
24 retailers' occupation tax fund.

25 The Department shall forthwith pay over to the State
26 Treasurer, ex officio, as trustee, all taxes, penalties and
27 interest collected hereunder. On or before the 25th day of
28 each calendar month, the Department shall prepare and certify
29 to the State Comptroller the disbursement of stated sums of
30 money to named municipalities, the municipality in each
31 instance to be that municipality from which the Department
32 during the second preceding calendar month, collected
33 municipal use tax from any person whose Illinois address for
34 titling or registration purposes is given as being in such

1 municipality. The amount to be paid to each municipality
2 shall be the amount (not including credit memoranda)
3 collected hereunder during the second preceding calendar
4 month by the Department, and not including an amount equal to
5 the amount of refunds made during the second preceding
6 calendar month by the Department on behalf of such
7 municipality, less the amount expended during the second
8 preceding month by the Department to be paid from the
9 appropriation to the Department from the Home Rule Municipal
10 Retailers' Occupation Tax Trust Fund. The appropriation to
11 cover the costs incurred by the Department in administering
12 and enforcing this Section shall not exceed 2% of the amount
13 estimated to be deposited into the Home Rule Municipal
14 Retailers' Occupation Tax Trust Fund during the fiscal year
15 for which the appropriation is made. Within 10 days after
16 receipt by the State Comptroller of the disbursement
17 certification to the municipalities provided for in this
18 Section to be given to the State Comptroller by the
19 Department, the State Comptroller shall cause the orders to
20 be drawn for the respective amounts in accordance with the
21 directions contained in that certification.

22 Any ordinance imposing or discontinuing any tax to be
23 collected and enforced by the Department under this Section
24 shall be adopted and a certified copy thereof filed with the
25 Department on or before October 1, whereupon the Department
26 of Revenue shall proceed to administer and enforce this
27 Section on behalf of the municipalities as of January 1 next
28 following such adoption and filing. Beginning April 1, 1998,
29 any ordinance imposing or discontinuing any tax to be
30 collected and enforced by the Department under this Section
31 shall either (i) be adopted and a certified copy thereof
32 filed with the Department on or before April 1, whereupon the
33 Department of Revenue shall proceed to administer and enforce
34 this Section on behalf of the municipalities as of July 1

1 next following the adoption and filing; or (ii) be adopted
2 and a certified copy thereof filed with the Department on or
3 before October 1, whereupon the Department of Revenue shall
4 proceed to administer and enforce this Section on behalf of
5 the municipalities as of January 1 next following the
6 adoption and filing.

7 Nothing in this subsection (c) shall prevent a home rule
8 municipality from collecting the tax pursuant to subsection
9 (a) in any situation where such tax is not collected by the
10 Department of Revenue under this subsection (c).

11 (d) Any unobligated balance remaining in the Municipal
12 Retailers' Occupation Tax Fund on December 31, 1989, which
13 fund was abolished by Public Act 85-1135, and all receipts of
14 municipal tax as a result of audits of liability periods
15 prior to January 1, 1990, shall be paid into the Local
16 Government Tax Fund, for distribution as provided by this
17 Section prior to the enactment of Public Act 85-1135. All
18 receipts of municipal tax as a result of an assessment not
19 arising from an audit, for liability periods prior to January
20 1, 1990, shall be paid into the Local Government Tax Fund for
21 distribution before July 1, 1990, as provided by this Section
22 prior to the enactment of Public Act 85-1135, and on and
23 after July 1, 1990, all such receipts shall be distributed as
24 provided in Section 6z-18 of the State Finance Act.

25 (e) As used in this Section, "Municipal" and
26 "Municipality" means a city, village or incorporated town,
27 including an incorporated town which has superseded a civil
28 township.

29 (f) This Section shall be known and may be cited as the
30 Home Rule Municipal Use Tax Act.

31 (Source: P.A. 90-562, eff. 12-16-97; 90-689, eff. 7-31-98;
32 91-51, eff. 6-30-99.)

33 Section 910. The Regional Transportation Authority Act

1 is amended by changing Section 4.03 as follows:

2 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

3 Sec. 4.03. Taxes.

4 (a) In order to carry out any of the powers or purposes
5 of the Authority, the Board may by ordinance adopted with the
6 concurrence of 9 of the then Directors, impose throughout the
7 metropolitan region any or all of the taxes provided in this
8 Section. Except as otherwise provided in this Act, taxes
9 imposed under this Section and civil penalties imposed
10 incident thereto shall be collected and enforced by the State
11 Department of Revenue. The Department shall have the power to
12 administer and enforce the taxes and to determine all rights
13 for refunds for erroneous payments of the taxes.

14 (b) The Board may impose a public transportation tax
15 upon all persons engaged in the metropolitan region in the
16 business of selling at retail motor fuel for operation of
17 motor vehicles upon public highways. The tax shall be at a
18 rate not to exceed 5% of the gross receipts from the sales of
19 motor fuel in the course of the business. As used in this
20 Act, the term "motor fuel" shall have the same meaning as in
21 the Motor Fuel Tax Act. The Board may provide for details of
22 the tax. The provisions of any tax shall conform, as closely
23 as may be practicable, to the provisions of the Municipal
24 Retailers Occupation Tax Act, including without limitation,
25 conformity to penalties with respect to the tax imposed and
26 as to the powers of the State Department of Revenue to
27 promulgate and enforce rules and regulations relating to the
28 administration and enforcement of the provisions of the tax
29 imposed, except that reference in the Act to any municipality
30 shall refer to the Authority and the tax shall be imposed
31 only with regard to receipts from sales of motor fuel in the
32 metropolitan region, at rates as limited by this Section.

33 (c) In connection with the tax imposed under paragraph

1 (b) of this Section the Board may impose a tax upon the
2 privilege of using in the metropolitan region motor fuel for
3 the operation of a motor vehicle upon public highways, the
4 tax to be at a rate not in excess of the rate of tax imposed
5 under paragraph (b) of this Section. The Board may provide
6 for details of the tax.

7 (d) The Board may impose a motor vehicle parking tax
8 upon the privilege of parking motor vehicles at off-street
9 parking facilities in the metropolitan region at which a fee
10 is charged, and may provide for reasonable classifications in
11 and exemptions to the tax, for administration and enforcement
12 thereof and for civil penalties and refunds thereunder and
13 may provide criminal penalties thereunder, the maximum
14 penalties not to exceed the maximum criminal penalties
15 provided in the Retailers' Occupation Tax Act. The Authority
16 may collect and enforce the tax itself or by contract with
17 any unit of local government. The State Department of
18 Revenue shall have no responsibility for the collection and
19 enforcement unless the Department agrees with the Authority
20 to undertake the collection and enforcement. As used in this
21 paragraph, the term "parking facility" means a parking area
22 or structure having parking spaces for more than 2 vehicles
23 at which motor vehicles are permitted to park in return for
24 an hourly, daily, or other periodic fee, whether publicly or
25 privately owned, but does not include parking spaces on a
26 public street, the use of which is regulated by parking
27 meters.

28 (e) The Board may impose a Regional Transportation
29 Authority Retailers' Occupation Tax upon all persons engaged
30 in the business of selling tangible personal property at
31 retail in the metropolitan region. In Cook County the tax
32 rate shall be 1% of the gross receipts from sales of food for
33 human consumption that is to be consumed off the premises
34 where it is sold (other than alcoholic beverages, soft drinks

1 and food that has been prepared for immediate consumption)
2 and prescription and nonprescription medicines, drugs,
3 medical appliances and insulin, urine testing materials,
4 syringes and needles used by diabetics, and 3/4% of the gross
5 receipts from other taxable sales made in the course of that
6 business. In DuPage, Kane, Lake, McHenry, and Will Counties,
7 the tax rate shall be 1/4% of the gross receipts from all
8 taxable sales made in the course of that business. The tax
9 imposed under this Section and all civil penalties that may
10 be assessed as an incident thereof shall be collected and
11 enforced by the State Department of Revenue. The Department
12 shall have full power to administer and enforce this Section;
13 to collect all taxes and penalties so collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax
16 or penalty hereunder. In the administration of, and
17 compliance with this Section, the Department and persons who
18 are subject to this Section shall have the same rights,
19 remedies, privileges, immunities, powers and duties, and be
20 subject to the same conditions, restrictions, limitations,
21 penalties, exclusions, exemptions and definitions of terms,
22 and employ the same modes of procedure, as are prescribed in
23 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
24 (in respect to all provisions therein other than the State
25 rate of tax), 2c, 3 (except as to the disposition of taxes
26 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,
27 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13
28 of the Retailers' Occupation Tax Act and Section 3-7 of the
29 Uniform Penalty and Interest Act, as fully as if those
30 provisions were set forth herein.

31 Persons subject to any tax imposed under the authority
32 granted in this Section may reimburse themselves for their
33 seller's tax liability hereunder by separately stating the
34 tax as an additional charge, which charge may be stated in

1 combination in a single amount with State taxes that sellers
2 are required to collect under the Use Tax Act, under any
3 bracket schedules the Department may prescribe.

4 Whenever the Department determines that a refund should
5 be made under this Section to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the warrant to be drawn for the
8 amount specified, and to the person named, in the
9 notification from the Department. The refund shall be paid
10 by the State Treasurer out of the Regional Transportation
11 Authority tax fund established under paragraph (n) of this
12 Section.

13 If a tax is imposed under this subsection (e), a tax
14 shall also be imposed under subsections (f) and (g) of this
15 Section.

16 For the purpose of determining whether a tax authorized
17 under this Section is applicable, a retail sale by a producer
18 of coal or other mineral mined in Illinois, is a sale at
19 retail at the place where the coal or other mineral mined in
20 Illinois is extracted from the earth. This paragraph does not
21 apply to coal or other mineral when it is delivered or
22 shipped by the seller to the purchaser at a point outside
23 Illinois so that the sale is exempt under the Federal
24 Constitution as a sale in interstate or foreign commerce.

25 Nothing in this Section shall be construed to authorize
26 the Regional Transportation Authority to impose a tax upon
27 the privilege of engaging in any business that under the
28 Constitution of the United States may not be made the subject
29 of taxation by this State.

30 (f) If a tax has been imposed under paragraph (e), a
31 Regional Transportation Authority Service Occupation Tax
32 shall also be imposed upon all persons engaged, in the
33 metropolitan region in the business of making sales of
34 service, who as an incident to making the sales of service,

1 transfer tangible personal property within the metropolitan
2 region, either in the form of tangible personal property or
3 in the form of real estate as an incident to a sale of
4 service. In Cook County, the tax rate shall be: (1) 1% of
5 the serviceman's cost price of food prepared for immediate
6 consumption and transferred incident to a sale of service
7 subject to the service occupation tax by an entity licensed
8 under the Hospital Licensing Act or the Nursing Home Care Act
9 that is located in the metropolitan region; (2) 1% of the
10 selling price of food for human consumption that is to be
11 consumed off the premises where it is sold (other than
12 alcoholic beverages, soft drinks and food that has been
13 prepared for immediate consumption) and prescription and
14 nonprescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes and needles used
16 by diabetics; and (3) 3/4% of the selling price from other
17 taxable sales of tangible personal property transferred. In
18 DuPage, Kane, Lake, McHenry and Will Counties the rate shall
19 be 1/4% of the selling price of all tangible personal
20 property transferred.

21 The tax imposed under this paragraph and all civil
22 penalties that may be assessed as an incident thereof shall
23 be collected and enforced by the State Department of Revenue.
24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes and penalties
26 due hereunder; to dispose of taxes and penalties 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 paragraph, the Department and
31 persons who are subject to this paragraph shall have the same
32 rights, remedies, privileges, immunities, powers and duties,
33 and be subject to the same conditions, restrictions,
34 limitations, penalties, exclusions, exemptions and

1 definitions of terms, and employ the same modes of procedure,
2 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
3 respect to all provisions therein other than the State rate
4 of tax), 4 (except that the reference to the State shall be
5 to the Authority), 5, 7, 8 (except that the jurisdiction to
6 which the tax shall be a debt to the extent indicated in that
7 Section 8 shall be the Authority), 9 (except as to the
8 disposition of taxes and penalties collected, and except that
9 the returned merchandise credit for this tax may not be taken
10 against any State tax), 10, 11, 12 (except the reference
11 therein to Section 2b of the Retailers' Occupation Tax Act),
12 13 (except that any reference to the State shall mean the
13 Authority), the first paragraph of Section 15, 16, 17, 18, 19
14 and 20 of the Service Occupation Tax Act and Section 3-7 of
15 the Uniform Penalty and Interest Act, as fully as if those
16 provisions were set forth herein.

17 Persons subject to any tax imposed under the authority
18 granted in this paragraph may reimburse themselves for their
19 serviceman's tax liability hereunder by separately stating
20 the tax as an additional charge, that charge may be stated in
21 combination in a single amount with State tax that servicemen
22 are authorized to collect under the Service Use Tax Act,
23 under any bracket schedules the Department may prescribe.

24 Whenever the Department determines that a refund should
25 be made under this paragraph to a claimant instead of issuing
26 a credit memorandum, the Department shall notify the State
27 Comptroller, who shall cause the warrant to be drawn for the
28 amount specified, and to the person named in the notification
29 from the Department. The refund shall be paid by the State
30 Treasurer out of the Regional Transportation Authority tax
31 fund established under paragraph (n) of this Section.

32 Nothing in this paragraph shall be construed to authorize
33 the Authority to impose a tax upon the privilege of engaging
34 in any business that under the Constitution of the United

1 States may not be made the subject of taxation by the State.

2 (g) If a tax has been imposed under paragraph (e), a tax
3 shall also be imposed upon the privilege of using in the
4 metropolitan region, any item of tangible personal property
5 that is purchased outside the metropolitan region at retail
6 from a retailer, and that is titled or registered with an
7 agency of this State's government. In Cook County the tax
8 rate shall be 3/4% of the selling price of the tangible
9 personal property, as "selling price" is defined in the Use
10 Tax Act. In DuPage, Kane, Lake, McHenry and Will counties
11 the tax rate shall be 1/4% of the selling price of the
12 tangible personal property, as "selling price" is defined in
13 the Use Tax Act. The tax shall be collected from persons
14 whose Illinois address for titling or registration purposes
15 is given as being in the metropolitan region. The tax shall
16 be collected by the Department of Revenue for the Regional
17 Transportation Authority. The tax must be paid to the State,
18 or an exemption determination must be obtained from the
19 Department of Revenue, before the title or certificate of
20 registration for the property may be issued. The tax or proof
21 of exemption may be transmitted to the Department by way of
22 the State agency with which, or the State officer with whom,
23 the tangible personal property must be titled or registered
24 if the Department and the State agency or State officer
25 determine that this procedure will expedite the processing of
26 applications for title or registration.

27 The Department shall have full power to administer and
28 enforce this paragraph; to collect all taxes, penalties and
29 interest due hereunder; to dispose of taxes, penalties and
30 interest collected in the manner hereinafter provided; and to
31 determine all rights to credit memoranda or refunds arising
32 on account of the erroneous payment of tax, penalty or
33 interest hereunder. In the administration of and compliance
34 with this paragraph, the Department and persons who are

1 subject to this paragraph shall have the same rights,
2 remedies, privileges, immunities, powers and duties, and be
3 subject to the same conditions, restrictions, limitations,
4 penalties, exclusions, exemptions and definitions of terms
5 and employ the same modes of procedure, as are prescribed in
6 Sections 2 (except the definition of "retailer maintaining a
7 place of business in this State"), 3 through 3-80 (except
8 provisions pertaining to the State rate of tax, and except
9 provisions concerning collection or refunding of the tax by
10 retailers), 4, 11, 12, 12a, 14, 15, 19 (except the portions
11 pertaining to claims by retailers and except the last
12 paragraph concerning refunds), 20, 21 and 22 of the Use Tax
13 Act, and are not inconsistent with this paragraph, as fully
14 as if those provisions were set forth herein.

15 Whenever the Department determines that a refund should
16 be made under this paragraph to a claimant instead of issuing
17 a credit memorandum, the Department shall notify the State
18 Comptroller, who shall cause the order to be drawn for the
19 amount specified, and to the person named in the notification
20 from the Department. The refund shall be paid by the State
21 Treasurer out of the Regional Transportation Authority tax
22 fund established under paragraph (n) of this Section.

23 (h) The Authority may impose a replacement vehicle tax
24 of \$50 on any passenger car as defined in Section 1-157 of
25 the Illinois Vehicle Code purchased within the metropolitan
26 region by or on behalf of an insurance company to replace a
27 passenger car of an insured person in settlement of a total
28 loss claim. The tax imposed may not become effective before
29 the first day of the month following the passage of the
30 ordinance imposing the tax and receipt of a certified copy of
31 the ordinance by the Department of Revenue. The Department
32 of Revenue shall collect the tax for the Authority in
33 accordance with Sections 3-2002 and 3-2003 of the Illinois
34 Vehicle Code.

1 The Department shall immediately pay over to the State
2 Treasurer, ex officio, as trustee, all taxes collected
3 hereunder. On or before the 25th day of each calendar month,
4 the Department shall prepare and certify to the Comptroller
5 the disbursement of stated sums of money to the Authority.
6 The amount to be paid to the Authority shall be the amount
7 collected hereunder during the second preceding calendar
8 month by the Department, less any amount determined by the
9 Department to be necessary for the payment of refunds.
10 Within 10 days after receipt by the Comptroller of the
11 disbursement certification to the Authority provided for in
12 this Section to be given to the Comptroller by the
13 Department, the Comptroller shall cause the orders to be
14 drawn for that amount in accordance with the directions
15 contained in the certification.

16 (i) The Board may not impose any other taxes except as
17 it may from time to time be authorized by law to impose.

18 (j) A certificate of registration issued by the State
19 Department of Revenue to a retailer under the Retailers'
20 Occupation Tax Act or under the Service Occupation Tax Act
21 shall permit the registrant to engage in a business that is
22 taxed under the tax imposed under paragraphs (b), (e), (f) or
23 (g) of this Section and no additional registration shall be
24 required under the tax. A certificate issued under the Use
25 Tax Act or the Service Use Tax Act shall be applicable with
26 regard to any tax imposed under paragraph (c) of this
27 Section.

28 (k) The provisions of any tax imposed under paragraph
29 (c) of this Section shall conform as closely as may be
30 practicable to the provisions of the Use Tax Act, including
31 without limitation conformity as to penalties with respect to
32 the tax imposed and as to the powers of the State Department
33 of Revenue to promulgate and enforce rules and regulations
34 relating to the administration and enforcement of the

1 provisions of the tax imposed. The taxes shall be imposed
2 only on use within the metropolitan region and at rates as
3 provided in the paragraph.

4 (l) The Board in imposing any tax as provided in
5 paragraphs (b) and (c) of this Section, shall, after seeking
6 the advice of the State Department of Revenue, provide means
7 for retailers, users or purchasers of motor fuel for purposes
8 other than those with regard to which the taxes may be
9 imposed as provided in those paragraphs to receive refunds of
10 taxes improperly paid, which provisions may be at variance
11 with the refund provisions as applicable under the Municipal
12 Retailers Occupation Tax Act. The State Department of
13 Revenue may provide for certificates of registration for
14 users or purchasers of motor fuel for purposes other than
15 those with regard to which taxes may be imposed as provided
16 in paragraphs (b) and (c) of this Section to facilitate the
17 reporting and nontaxability of the exempt sales or uses.

18 (m) Any ordinance imposing or discontinuing any tax
19 under this Section shall be adopted and a certified copy
20 thereof filed with the Department on or before June 1,
21 whereupon the Department of Revenue shall proceed to
22 administer and enforce this Section on behalf of the Regional
23 Transportation Authority as of September 1 next following
24 such adoption and filing. Beginning January 1, 1992, an
25 ordinance or resolution imposing or discontinuing the tax
26 hereunder shall be adopted and a certified copy thereof filed
27 with the Department on or before the first day of July,
28 whereupon the Department shall proceed to administer and
29 enforce this Section as of the first day of October next
30 following such adoption and filing. Beginning January 1,
31 1993, an ordinance or resolution imposing or discontinuing
32 the tax hereunder shall be adopted and a certified copy
33 thereof filed with the Department on or before the first day
34 of October, whereupon the Department shall proceed to

1 administer and enforce this Section as of the first day of
2 January next following such adoption and filing.

3 (n) The State Department of Revenue shall, upon
4 collecting any taxes as provided in this Section, pay the
5 taxes over to the State Treasurer as trustee for the
6 Authority. The taxes shall be held in a trust fund outside
7 the State Treasury. On or before the 25th day of each
8 calendar month, the State Department of Revenue shall prepare
9 and certify to the Comptroller of the State of Illinois the
10 amount to be paid to the Authority, which shall be the then
11 balance in the fund, less any amount determined by the
12 Department to be necessary for the payment of refunds. The
13 State Department of Revenue shall also certify to the
14 Authority the amount of taxes collected in each County other
15 than Cook County in the metropolitan region less the amount
16 necessary for the payment of refunds to taxpayers in the
17 County. With regard to the County of Cook, the certification
18 shall specify the amount of taxes collected within the City
19 of Chicago less the amount necessary for the payment of
20 refunds to taxpayers in the City of Chicago and the amount
21 collected in that portion of Cook County outside of Chicago
22 less the amount necessary for the payment of refunds to
23 taxpayers in that portion of Cook County outside of Chicago.
24 Within 10 days after receipt by the Comptroller of the
25 certification of the amount to be paid to the Authority, the
26 Comptroller shall cause an order to be drawn for the payment
27 for the amount in accordance with the direction in the
28 certification.

29 In addition to the disbursement required by the preceding
30 paragraph, an allocation shall be made in July 1991 and each
31 year thereafter to the Regional Transportation Authority.
32 The allocation shall be made in an amount equal to the
33 average monthly distribution during the preceding calendar
34 year (excluding the 2 months of lowest receipts) and the

1 allocation shall include the amount of average monthly
2 distribution from the Regional Transportation Authority
3 Occupation and Use Tax Replacement Fund. The distribution
4 made in July 1992 and each year thereafter under this
5 paragraph and the preceding paragraph shall be reduced by the
6 amount allocated and disbursed under this paragraph in the
7 preceding calendar year. The Department of Revenue shall
8 prepare and certify to the Comptroller for disbursement the
9 allocations made in accordance with this paragraph.

10 (o) Failure to adopt a budget ordinance or otherwise to
11 comply with Section 4.01 of this Act or to adopt a Five-year
12 Program or otherwise to comply with paragraph (b) of Section
13 2.01 of this Act shall not affect the validity of any tax
14 imposed by the Authority otherwise in conformity with law.

15 (p) At no time shall a public transportation tax or
16 motor vehicle parking tax authorized under paragraphs (b),
17 (c) and (d) of this Section be in effect at the same time as
18 any retailers' occupation, use or service occupation tax
19 authorized under paragraphs (e), (f) and (g) of this Section
20 is in effect.

21 Any taxes imposed under the authority provided in
22 paragraphs (b), (c) and (d) shall remain in effect only until
23 the time as any tax authorized by paragraphs (e), (f) or (g)
24 of this Section are imposed and becomes effective. Once any
25 tax authorized by paragraphs (e), (f) or (g) is imposed the
26 Board may not reimpose taxes as authorized in paragraphs (b),
27 (c) and (d) of the Section unless any tax authorized by
28 paragraphs (e), (f) or (g) of this Section becomes
29 ineffective by means other than an ordinance of the Board.

30 (q) Any existing rights, remedies and obligations
31 (including enforcement by the Regional Transportation
32 Authority) arising under any tax imposed under paragraphs
33 (b), (c) or (d) of this Section shall not be affected by the
34 imposition of a tax under paragraphs (e), (f) or (g) of this

1 Section.

2 (Source: P.A. 91-51, eff. 6-30-99.)

3 Section 915. The Water Commission Act of 1985 is amended
4 by changing Section 4 as follows:

5 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

6 Sec. 4. (a) The board of commissioners of any county
7 water commission may, by ordinance, impose throughout the
8 territory of the commission any or all of the taxes provided
9 in this Section for its corporate purposes. However, no
10 county water commission may impose any such tax unless the
11 commission certifies the proposition of imposing the tax to
12 the proper election officials, who shall submit the
13 proposition to the voters residing in the territory at an
14 election in accordance with the general election law, and the
15 proposition has been approved by a majority of those voting
16 on the proposition.

17 The proposition shall be in the form provided in Section
18 5 or shall be substantially in the following form:

19 -----
20 Shall the (insert corporate
21 name of county water commission) YES
22 impose (state type of tax or -----
23 taxes to be imposed) at the NO
24 rate of 1/4%?
25 -----

26 Taxes imposed under this Section and civil penalties
27 imposed incident thereto shall be collected and enforced by
28 the State Department of Revenue. The Department shall have
29 the power to administer and enforce the taxes and to
30 determine all rights for refunds for erroneous payments of
31 the taxes.

32 (b) The board of commissioners may impose a County Water

1 Commission Retailers' Occupation Tax upon all persons engaged
2 in the business of selling tangible personal property at
3 retail in the territory of the commission at a rate of 1/4%
4 of the gross receipts from the sales made in the course of
5 such business within the territory. The tax imposed under
6 this paragraph and all civil penalties that may be assessed
7 as an incident thereof shall be collected and enforced by the
8 State Department of Revenue. The Department shall have full
9 power to administer and enforce this paragraph; to collect
10 all taxes and penalties due hereunder; to dispose of taxes
11 and penalties so collected in the manner hereinafter
12 provided; and to determine all rights to credit memoranda
13 arising on account of the erroneous payment of tax or penalty
14 hereunder. In the administration of, and compliance with,
15 this paragraph, the Department and persons who are subject to
16 this paragraph shall have the same rights, remedies,
17 privileges, immunities, powers and duties, and be subject to
18 the same conditions, restrictions, limitations, penalties,
19 exclusions, exemptions and definitions of terms, and employ
20 the same modes of procedure, as are prescribed in Sections 1,
21 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect
22 to all provisions therein other than the State rate of tax
23 except that food for human consumption that is to be consumed
24 off the premises where it is sold (other than alcoholic
25 beverages, soft drinks, and food that has been prepared for
26 immediate consumption) and prescription and nonprescription
27 medicine, drugs, medical appliances and insulin, urine
28 testing materials, syringes, and needles used by diabetics,
29 for human use, shall not be subject to tax hereunder), 2c, 3
30 (except as to the disposition of taxes and penalties
31 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
32 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12 and 13 of the
33 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
34 Penalty and Interest Act, as fully as if those provisions

1 were set forth herein.

2 Persons subject to any tax imposed under the authority
3 granted in this paragraph may reimburse themselves for their
4 seller's tax liability hereunder by separately stating the
5 tax as an additional charge, which charge may be stated in
6 combination, in a single amount, with State taxes that
7 sellers are required to collect under the Use Tax Act and
8 under subsection (e) of Section 4.03 of the Regional
9 Transportation Authority Act, in accordance with such bracket
10 schedules as the Department may prescribe.

11 Whenever the Department determines that a refund should
12 be made under this paragraph to a claimant instead of issuing
13 a credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause the warrant to be drawn for the
15 amount specified, and to the person named, in the
16 notification from the Department. The refund shall be paid
17 by the State Treasurer out of a county water commission tax
18 fund established under paragraph (g) of this Section.

19 For the purpose of determining whether a tax authorized
20 under this paragraph is applicable, a retail sale by a
21 producer of coal or other mineral mined in Illinois is a sale
22 at retail at the place where the coal or other mineral mined
23 in Illinois is extracted from the earth. This paragraph does
24 not apply to coal or other mineral when it is delivered or
25 shipped by the seller to the purchaser at a point outside
26 Illinois so that the sale is exempt under the Federal
27 Constitution as a sale in interstate or foreign commerce.

28 If a tax is imposed under this subsection (b) a tax shall
29 also be imposed under subsections (c) and (d) of this
30 Section.

31 Nothing in this paragraph shall be construed to authorize
32 a county water commission to impose a tax upon the privilege
33 of engaging in any business which under the Constitution of
34 the United States may not be made the subject of taxation by

1 this State.

2 (c) If a tax has been imposed under subsection (b), a
3 County Water Commission Service Occupation Tax shall also be
4 imposed upon all persons engaged, in the territory of the
5 commission, in the business of making sales of service, who,
6 as an incident to making the sales of service, transfer
7 tangible personal property within the territory. The tax rate
8 shall be 1/4% of the selling price of tangible personal
9 property so transferred within the territory. The tax
10 imposed under this paragraph and all civil penalties that may
11 be assessed as an incident thereof shall be collected and
12 enforced by the State Department of Revenue. The Department
13 shall have full power to administer and enforce this
14 paragraph; to collect all taxes and penalties due hereunder;
15 to dispose of taxes and penalties so collected in the manner
16 hereinafter provided; and to determine all rights to credit
17 memoranda arising on account of the erroneous payment of tax
18 or penalty hereunder. In the administration of, and
19 compliance with, this paragraph, the Department and persons
20 who are subject to this paragraph shall have the same rights,
21 remedies, privileges, immunities, powers and duties, and be
22 subject to the same conditions, restrictions, limitations,
23 penalties, exclusions, exemptions and definitions of terms,
24 and employ the same modes of procedure, as are prescribed in
25 Sections 1a-1, 2 (except that the reference to State in the
26 definition of supplier maintaining a place of business in
27 this State shall mean the territory of the commission), 2a, 3
28 through 3-50 (in respect to all provisions therein other than
29 the State rate of tax except that food for human consumption
30 that is to be consumed off the premises where it is sold
31 (other than alcoholic beverages, soft drinks, and food that
32 has been prepared for immediate consumption) and prescription
33 and nonprescription medicines, drugs, medical appliances and
34 insulin, urine testing materials, syringes, and needles used

1 by diabetics, for human use, shall not be subject to tax
2 hereunder), 4 (except that the reference to the State shall
3 be to the territory of the commission), 5, 7, 8 (except that
4 the jurisdiction to which the tax shall be a debt to the
5 extent indicated in that Section 8 shall be the commission),
6 9 (except as to the disposition of taxes and penalties
7 collected and except that the returned merchandise credit for
8 this tax may not be taken against any State tax), 10, 11, 12
9 (except the reference therein to Section 2b of the Retailers'
10 Occupation Tax Act), 13 (except that any reference to the
11 State shall mean the territory of the commission), the first
12 paragraph of Section 15, 15.5, 16, 17, 18, 19 and 20 of the
13 Service Occupation Tax Act as fully as if those provisions
14 were set forth herein.

15 Persons subject to any tax imposed under the authority
16 granted in this paragraph may reimburse themselves for their
17 serviceman's tax liability hereunder by separately stating
18 the tax as an additional charge, which charge may be stated
19 in combination, in a single amount, with State tax that
20 servicemen are authorized to collect under the Service Use
21 Tax Act, and any tax for which servicemen may be liable under
22 subsection (f) of Sec. 4.03 of the Regional Transportation
23 Authority Act, in accordance with such bracket schedules as
24 the Department may prescribe.

25 Whenever the Department determines that a refund should
26 be made under this paragraph to a claimant instead of issuing
27 a credit memorandum, the Department shall notify the State
28 Comptroller, who shall cause the warrant to be drawn for the
29 amount specified, and to the person named, in the
30 notification from the Department. The refund shall be paid
31 by the State Treasurer out of a county water commission tax
32 fund established under paragraph (g) of this Section.

33 Nothing in this paragraph shall be construed to authorize
34 a county water commission to impose a tax upon the privilege

1 of engaging in any business which under the Constitution of
2 the United States may not be made the subject of taxation by
3 the State.

4 (d) If a tax has been imposed under subsection (b), a
5 tax shall also imposed upon the privilege of using, in the
6 territory of the commission, any item of tangible personal
7 property that is purchased outside the territory at retail
8 from a retailer, and that is titled or registered with an
9 agency of this State's government, at a rate of 1/4% of the
10 selling price of the tangible personal property within the
11 territory, as "selling price" is defined in the Use Tax Act.
12 The tax shall be collected from persons whose Illinois
13 address for titling or registration purposes is given as
14 being in the territory. The tax shall be collected by the
15 Department of Revenue for a county water commission. The tax
16 must be paid to the State, or an exemption determination must
17 be obtained from the Department of Revenue, before the title
18 or certificate of registration for the property may be
19 issued. The tax or proof of exemption may be transmitted to
20 the Department by way of the State agency with which, or the
21 State officer with whom, the tangible personal property must
22 be titled or registered if the Department and the State
23 agency or State officer determine that this procedure will
24 expedite the processing of applications for title or
25 registration.

26 The Department shall have full power to administer and
27 enforce this paragraph; to collect all taxes, penalties and
28 interest due hereunder; to dispose of taxes, penalties and
29 interest so collected in the manner hereinafter provided; and
30 to determine all rights to credit memoranda or refunds
31 arising on account of the erroneous payment of tax, penalty
32 or interest hereunder. In the administration of, and
33 compliance with this paragraph, the Department and persons
34 who are subject to this paragraph shall have the same rights,

1 remedies, privileges, immunities, powers and duties, and be
2 subject to the same conditions, restrictions, limitations,
3 penalties, exclusions, exemptions and definitions of terms
4 and employ the same modes of procedure, as are prescribed in
5 Sections 2 (except the definition of "retailer maintaining a
6 place of business in this State"), 3 through 3-80 (except
7 provisions pertaining to the State rate of tax, and except
8 provisions concerning collection or refunding of the tax by
9 retailers, and except that food for human consumption that is
10 to be consumed off the premises where it is sold (other than
11 alcoholic beverages, soft drinks, and food that has been
12 prepared for immediate consumption) and prescription and
13 nonprescription medicines, drugs, medical appliances and
14 insulin, urine testing materials, syringes, and needles used
15 by diabetics, for human use, shall not be subject to tax
16 hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the portions
17 pertaining to claims by retailers and except the last
18 paragraph concerning refunds), 20, 21 and 22 of the Use Tax
19 Act and Section 3-7 of the Uniform Penalty and Interest Act
20 that are not inconsistent with this paragraph, as fully as if
21 those provisions were set forth herein.

22 Whenever the Department determines that a refund should
23 be made under this paragraph to a claimant instead of issuing
24 a credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the order to be drawn for the
26 amount specified, and to the person named, in the
27 notification from the Department. The refund shall be paid
28 by the State Treasurer out of a county water commission tax
29 fund established under paragraph (g) of this Section.

30 (e) A certificate of registration issued by the State
31 Department of Revenue to a retailer under the Retailers'
32 Occupation Tax Act or under the Service Occupation Tax Act
33 shall permit the registrant to engage in a business that is
34 taxed under the tax imposed under paragraphs (b), (c) or (d)

1 of this Section and no additional registration shall be
2 required under the tax. A certificate issued under the Use
3 Tax Act or the Service Use Tax Act shall be applicable with
4 regard to any tax imposed under paragraph (c) of this
5 Section.

6 (f) Any ordinance imposing or discontinuing any tax
7 under this Section shall be adopted and a certified copy
8 thereof filed with the Department on or before June 1,
9 whereupon the Department of Revenue shall proceed to
10 administer and enforce this Section on behalf of the county
11 water commission as of September 1 next following the
12 adoption and filing. Beginning January 1, 1992, an ordinance
13 or resolution imposing or discontinuing the tax hereunder
14 shall be adopted and a certified copy thereof filed with the
15 Department on or before the first day of July, whereupon the
16 Department shall proceed to administer and enforce this
17 Section as of the first day of October next following such
18 adoption and filing. Beginning January 1, 1993, an ordinance
19 or resolution imposing or discontinuing the tax hereunder
20 shall be adopted and a certified copy thereof filed with the
21 Department on or before the first day of October, whereupon
22 the Department shall proceed to administer and enforce this
23 Section as of the first day of January next following such
24 adoption and filing.

25 (g) The State Department of Revenue shall, upon
26 collecting any taxes as provided in this Section, pay the
27 taxes over to the State Treasurer as trustee for the
28 commission. The taxes shall be held in a trust fund outside
29 the State Treasury. On or before the 25th day of each
30 calendar month, the State Department of Revenue shall prepare
31 and certify to the Comptroller of the State of Illinois the
32 amount to be paid to the commission, which shall be the then
33 balance in the fund, less any amount determined by the
34 Department to be necessary for the payment of refunds. Within

1 10 days after receipt by the Comptroller of the certification
2 of the amount to be paid to the commission, the Comptroller
3 shall cause an order to be drawn for the payment for the
4 amount in accordance with the direction in the certification.
5 (Source: P.A. 91-51, eff. 6-30-99.)

6 Section 999. Effective date. This Act takes effect upon
7 becoming law.