

1 AMENDMENT TO SENATE BILL 164

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 164, AS AMENDED,  
3 with reference to page and line numbers of Senate Amendment  
4 No. 1, on page 1, by replacing lines 21 and 22 with the  
5 following:

6 "(e) "Sales Tax" means the tax levied under the Service  
7 Occupation Tax Act (35 ILCS 115/) and the Retailers'  
8 Occupation Tax Act (35 ILCS 120/). "Sales tax" also means  
9 any local sales tax levied under the Home Rule Municipal  
10 Retailers' Occupation Tax Act (65 ILCS 5/8-11-1), the  
11 Non-Home Rule Municipal Retailers' Occupation Tax Act (65  
12 ILCS 5/8-11-1.3), the Non-Home Rule Municipal Service  
13 Occupation Tax Act (65 ILCS 5/8-11-1.4), the Home Rule  
14 Municipal Service Occupation Tax (65 ILCS 5/8-11-5), the Home  
15 Rule County Retailers' Occupation Tax Law (55 ILCS 5/5-1006),  
16 the Special County Occupation Tax for Public Safety Law (55  
17 ILCS 5/5-1006.5), the Home Rule County Service Occupation Tax  
18 Law (55 ILCS 5/5-1007), subsection (b) of the Rock Island  
19 County Use and Occupation Tax Law (55 ILCS 5/5-1008.5(b)),  
20 the Metro East Mass Transit District Retailers' Occupation  
21 Tax (70 ILCS 3610/5.01(b)), the Metro East Mass Transit  
22 District Service Occupation Tax (70 ILCS 3610/5.01(c)), the  
23 Regional Transportation Authority Retailers' Occupation Tax  
24 (70 ILCS 3615/4.03(e)), the Regional Transportation Authority

1 Service Occupation Tax (70 ILCS 3615/4.03(f)), the County  
2 Water Commission Retailers' Occupation Tax (70 ILCS  
3 3720/4(b)), or the County Water Commission Service Occupation  
4 Tax (70 ILCS 3720/4(c))."; and

5 on page 2, by replacing lines 1 and 2 with the following:

6 "(f) "Seller" means any person making sales of personal  
7 property or services."; and

8 on page 2, by replacing lines 5 and 6 with the following:

9 "(h) "Use tax" means the tax levied under the Use Tax Act  
10 (35 ILCS 105/) and the Service Use Tax Act (35 ILCS 110/).  
11 "Use tax" also means any local use tax levied under the Home  
12 Rule Municipal Use Tax Act (65 ILCS 5/8-11-6(b)), provided  
13 that the State and the municipality have entered into an  
14 agreement that provides for administration of the tax by the  
15 State."; and

16 on page 2, lines 8 and 14, after "sales", each time it  
17 appears, by inserting "tax"; and

18 on page 2, line 28, by replacing "The" with "Subject to  
19 Section 6, the"; and

20 on page 4, line 17, after "taxes", by inserting the  
21 following:

22 ", as those terms are defined by each signatory state in the  
23 Act by which the state authorizes its entry into the  
24 Agreement,"; and

25 on page 4, line 25, before the period, by inserting the  
26 following:

27 "with regard to these taxes"; and

28 on page 5, immediately below line 20, by inserting the  
29 following:

30 "(j) Nothing in the Agreement shall require a signatory  
31 state to administer a tax levied by a local jurisdiction

1 unless the tax is a sales tax or use tax as defined by the  
2 signatory state in the Act by which the state authorizes its  
3 entry into the Agreement."; and

4 on page 7, immediately below line 17, by inserting the  
5 following:

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

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

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

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

24 (b) In home rule municipalities with 2,000,000 or more  
25 inhabitants, the corporate authorities of the municipality  
26 may additionally impose a tax beginning July 1, 1991 upon the  
27 privilege of using in the municipality, any item of tangible  
28 personal property, other than tangible personal property  
29 titled or registered with an agency of the State's  
30 government, that is purchased at retail from a retailer  
31 located outside the corporate limits of the municipality, at  
32 a rate that is an increment of 1/4% not to exceed 1% and

1 based on the selling price of the tangible personal property,  
2 as "selling price" is defined in the Use Tax Act. Such tax  
3 shall be collected from the purchaser or the retailer either  
4 by the municipality imposing such tax or by the Department of  
5 Revenue pursuant to an agreement between the Department and  
6 the municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

32 Section 910. The Regional Transportation Authority Act  
33 is amended by changing Section 4.03 as follows:

1 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

2 Sec. 4.03. Taxes.

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

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

32 (c) In connection with the tax imposed under paragraph  
33 (b) of this Section the Board may impose a tax upon the  
34 privilege of using in the metropolitan region motor fuel for

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

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

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

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

29 Persons subject to any tax imposed under the authority  
30 granted in this Section may reimburse themselves for their  
31 seller's tax liability hereunder by separately stating the  
32 tax as an additional charge, which charge may be stated in  
33 combination in a single amount with State taxes that sellers  
34 are required to collect under the Use Tax Act, under any

1 bracket schedules the Department may prescribe.

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

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

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

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

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

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

19 The tax imposed under this paragraph and all civil  
20 penalties that may be assessed as an incident thereof shall  
21 be collected and enforced by the State Department of Revenue.  
22 The Department shall have full power to administer and  
23 enforce this paragraph; to collect all taxes and penalties  
24 due hereunder; to dispose of taxes and penalties collected in  
25 the manner hereinafter provided; and to determine all rights  
26 to credit memoranda arising on account of the erroneous  
27 payment of tax or penalty hereunder. In the administration  
28 of and compliance with this paragraph, the Department and  
29 persons who are subject to this paragraph shall have the same  
30 rights, remedies, privileges, immunities, powers and duties,  
31 and be subject to the same conditions, restrictions,  
32 limitations, penalties, exclusions, exemptions and  
33 definitions of terms, and employ the same modes of procedure,  
34 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in

1 respect to all provisions therein other than the State rate  
2 of tax), 4 (except that the reference to the State shall be  
3 to the Authority), 5, 7, 8 (except that the jurisdiction to  
4 which the tax shall be a debt to the extent indicated in that  
5 Section 8 shall be the Authority), 9 (except as to the  
6 disposition of taxes and penalties collected, and except that  
7 the returned merchandise credit for this tax may not be taken  
8 against any State tax), 10, 11, 12 (except the reference  
9 therein to Section 2b of the Retailers' Occupation Tax Act),  
10 13 (except that any reference to the State shall mean the  
11 Authority), the first paragraph of Section 15, 16, 17, 18, 19  
12 and 20 of the Service Occupation Tax Act and Section 3-7 of  
13 the Uniform Penalty and Interest Act, as fully as if those  
14 provisions 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, that charge may be stated in  
19 combination in a single amount with State tax that servicemen  
20 are authorized to collect under the Service Use Tax Act,  
21 under any bracket schedules the Department may prescribe.

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 warrant to be drawn for the  
26 amount specified, and to the person named in the notification  
27 from the Department. The refund shall be paid by the State  
28 Treasurer out of the Regional Transportation Authority tax  
29 fund established under paragraph (n) of this Section.

30 Nothing in this paragraph shall be construed to authorize  
31 the Authority to impose a tax upon the privilege of engaging  
32 in any business that under the Constitution of the United  
33 States may not be made the subject of taxation by the State.

34 (g) If a tax has been imposed under paragraph (e), a tax

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

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

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

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

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

33 The Department shall immediately pay over to the State  
34 Treasurer, ex officio, as trustee, all taxes collected

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

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

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

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

1 provided in the paragraph.

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

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

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

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

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

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

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

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

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

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

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

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

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

15 The proposition shall be in the form provided in Section  
16 5 or shall be substantially in the following form:

17 -----

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

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

30 (b) The board of commissioners may impose a County Water  
31 Commission Retailers' Occupation Tax upon all persons engaged  
32 in the business of selling tangible personal property at  
33 retail in the territory of the commission at a rate of 1/4%

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

33 Persons subject to any tax imposed under the authority  
34 granted in this paragraph may reimburse themselves for their

1 seller's tax liability hereunder by separately stating the  
2 tax as an additional charge, which charge may be stated in  
3 combination, in a single amount, with State taxes that  
4 sellers are required to collect under the Use Tax Act and  
5 under subsection (e) of Section 4.03 of the Regional  
6 Transportation Authority Act, in accordance with such bracket  
7 schedules as the Department may prescribe.

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

16 For the purpose of determining whether a tax authorized  
17 under this paragraph is applicable, a retail sale by a  
18 producer of coal or other mineral mined in Illinois is a sale  
19 at retail at the place where the coal or other mineral mined  
20 in Illinois is extracted from the earth. This paragraph does  
21 not 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 If a tax is imposed under this subsection (b) a tax shall  
26 also be imposed under subsections (c) and (d) of this  
27 Section.

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

33 (c) If a tax has been imposed under subsection (b), a  
34 County Water Commission Service Occupation Tax shall also be

1 imposed upon all persons engaged, in the territory of the  
2 commission, in the business of making sales of service, who,  
3 as an incident to making the sales of service, transfer  
4 tangible personal property within the territory. The tax rate  
5 shall be 1/4% of the selling price of tangible personal  
6 property so transferred within the territory. The tax  
7 imposed under this paragraph and all civil penalties that may  
8 be assessed as an incident thereof shall be collected and  
9 enforced by the State Department of Revenue. The Department  
10 shall have full power to administer and enforce this  
11 paragraph; to collect all taxes and penalties due hereunder;  
12 to dispose of taxes and penalties so collected in the manner  
13 hereinafter provided; and to determine all rights to credit  
14 memoranda arising on account of the erroneous payment of tax  
15 or penalty hereunder. In the administration of, and  
16 compliance with, this paragraph, the Department and persons  
17 who are subject to this paragraph shall have the same rights,  
18 remedies, privileges, immunities, powers and duties, and be  
19 subject to the same conditions, restrictions, limitations,  
20 penalties, exclusions, exemptions and definitions of terms,  
21 and employ the same modes of procedure, as are prescribed in  
22 Sections 1a-1, 2 (except that the reference to State in the  
23 definition of supplier maintaining a place of business in  
24 this State shall mean the territory of the commission), 2a, 3  
25 through 3-50 (in respect to all provisions therein other than  
26 the State rate of tax except that food for human consumption  
27 that is to be consumed off the premises where it is sold  
28 (other than alcoholic beverages, soft drinks, and food that  
29 has been prepared for immediate consumption) and prescription  
30 and nonprescription medicines, drugs, medical appliances and  
31 insulin, urine testing materials, syringes, and needles used  
32 by diabetics, for human use, shall not be subject to tax  
33 hereunder), 4 (except that the reference to the State shall  
34 be to the territory of the commission), 5, 7, 8 (except that

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

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

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

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

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

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

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

27 (e) A certificate of registration issued by the State  
28 Department of Revenue to a retailer under the Retailers'  
29 Occupation Tax Act or under the Service Occupation Tax Act  
30 shall permit the registrant to engage in a business that is  
31 taxed under the tax imposed under paragraphs (b), (c) or (d)  
32 of this Section and no additional registration shall be  
33 required under the tax. A certificate issued under the Use  
34 Tax Act or the Service Use Tax Act shall be applicable with

1 regard to any tax imposed under paragraph (c) of this  
2 Section.

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

22 (g) The State Department of Revenue shall, upon  
23 collecting any taxes as provided in this Section, pay the  
24 taxes over to the State Treasurer as trustee for the  
25 commission. The taxes shall be held in a trust fund outside  
26 the State Treasury. On or before the 25th day of each  
27 calendar month, the State Department of Revenue shall prepare  
28 and certify to the Comptroller of the State of Illinois the  
29 amount to be paid to the commission, which shall be the then  
30 balance in the fund, less any amount determined by the  
31 Department to be necessary for the payment of refunds. Within  
32 10 days after receipt by the Comptroller of the certification  
33 of the amount to be paid to the commission, the Comptroller  
34 shall cause an order to be drawn for the payment for the

1 amount in accordance with the direction in the certification.  
2 (Source: P.A. 91-51, eff. 6-30-99.); and  
3 on page 7, line 18, by replacing "Section 99." with "Section  
4 999".