

1 AN ACT regarding taxes.

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

4 Section 5. The Gas Revenue Tax Act is amended by
5 changing Section 2 as follows:

6 (35 ILCS 615/2) (from Ch. 120, par. 467.17)

7 Sec. 2. A tax is imposed upon persons engaged in the
8 business of distributing, supplying, furnishing or selling
9 gas to persons for use or consumption and not for resale at
10 the rate of 2.4 cents per therm of all gas which is so
11 distributed, supplied, furnished, sold or transported to or
12 for each customer in the course of such business, or 5% of
13 the gross receipts received from each customer from such
14 business, whichever is the lower rate as applied to each
15 customer for that customer's billing period, provided that
16 any change in rate imposed by this amendatory Act of 1985
17 shall become effective only with bills having a meter reading
18 date on or after January 1, 1986. However, such taxes are not
19 imposed with respect to any business in interstate commerce,
20 or otherwise to the extent to which such business may not,
21 under the Constitution and statutes of the United States, be
22 made the subject of taxation by this State.

23 Nothing in this amendatory Act of 1985 shall impose a tax
24 with respect to any transaction with respect to which no tax
25 was imposed immediately preceding the effective date of this
26 amendatory Act of 1985.

27 Beginning in calendar year 2001 and in each calendar year
28 thereafter through calendar year 2006, when the net tax
29 revenue realized in the calendar year from the tax imposed
30 under this Section equals 125% of the net tax revenue
31 realized from the tax imposed under this Section in the prior

1 calendar year, no tax shall be imposed under this Section
 2 beginning on that date and through December 31 of that year.
 3 Beginning on January 1 of the next calendar year, the tax is
 4 again imposed under this Section.

5 (Source: P.A. 84-307; 84-1093.)

6 Section 10. The Electricity Excise Tax Law is amended by
 7 changing Section 2-4 as follows:

8 (35 ILCS 640/2-4)

9 Sec. 2-4. Tax imposed.

10 (a) Except as provided in subsection (b), a tax is
 11 imposed on the privilege of using in this State electricity
 12 purchased for use or consumption and not for resale, other
 13 than by municipal corporations owning and operating a local
 14 transportation system for public service, at the following
 15 rates per kilowatt-hour delivered to the purchaser:

16 (i) For the first 2000 kilowatt-hours used or
 17 consumed in a month: 0.330 cents per kilowatt-hour;

18 (ii) For the next 48,000 kilowatt-hours used or
 19 consumed in a month: 0.319 cents per kilowatt-hour;

20 (iii) For the next 50,000 kilowatt-hours used or
 21 consumed in a month: 0.303 cents per kilowatt-hour;

22 (iv) For the next 400,000 kilowatt-hours used or
 23 consumed in a month: 0.297 cents per kilowatt-hour;

24 (v) For the next 500,000 kilowatt-hours used or
 25 consumed in a month: 0.286 cents per kilowatt-hour;

26 (vi) For the next 2,000,000 kilowatt-hours used or
 27 consumed in a month: 0.270 cents per kilowatt-hour;

28 (vii) For the next 2,000,000 kilowatt-hours used or
 29 consumed in a month: 0.254 cents per kilowatt-hour;

30 (viii) For the next 5,000,000 kilowatt-hours used
 31 or consumed in a month: 0.233 cents per kilowatt-hour;

32 (ix) For the next 10,000,000 kilowatt-hours used or

1 consumed in a month: 0.207 cents per kilowatt-hour;

2 (x) For all electricity in excess of 20,000,000
3 kilowatt-hours used or consumed in a month: 0.202 cents
4 per kilowatt-hour.

5 Provided, that in lieu of the foregoing rates, the tax is
6 imposed on a self-assessing purchaser at the rate of 5.1% of
7 the self-assessing purchaser's purchase price for all
8 electricity distributed, supplied, furnished, sold,
9 transmitted and delivered to the self-assessing purchaser in
10 a month.

11 (b) A tax is imposed on the privilege of using in this
12 State electricity purchased from a municipal system or
13 electric cooperative, as defined in Article XVII of the
14 Public Utilities Act, which has not made an election as
15 permitted by either Section 17-200 or Section 17-300 of such
16 Act, at the lesser of 0.32 cents per kilowatt hour of all
17 electricity distributed, supplied, furnished, sold,
18 transmitted, and delivered by such municipal system or
19 electric cooperative to the purchaser or 5% of each such
20 purchaser's purchase price for all electricity distributed,
21 supplied, furnished, sold, transmitted, and delivered by such
22 municipal system or electric cooperative to the purchaser,
23 whichever is the lower rate as applied to each purchaser in
24 each billing period.

25 (c) The tax imposed by this Section 2-4 is not imposed
26 with respect to any use of electricity by business
27 enterprises certified under Section 9-222.1 or 9-222.1A of
28 the Public Utilities Act, as amended, to the extent of such
29 exemption and during the time specified by the Department of
30 Commerce and Community Affairs; or with respect to any
31 transaction in interstate commerce, or otherwise, to the
32 extent to which such transaction may not, under the
33 Constitution and statutes of the United States, be made the
34 subject of taxation by this State.

1 (d) Beginning in calendar year 2001 and in each calendar
2 year thereafter through calendar year 2006, when the net tax
3 revenue realized in the calendar year from the tax imposed
4 under this Section equals 125% of the net tax revenue
5 realized from the tax imposed under this Section in the prior
6 calendar year, no tax shall be imposed under this Section
7 beginning on that date and through December 31 of that year.
8 Beginning on January 1 of the next calendar year, the tax is
9 again imposed under this Section.

10 (Source: P.A. 90-561, eff. 8-1-98; 91-914, eff. 7-7-00.)

11 Section 15. The Electricity Infrastructure Maintenance
12 Fee Law is amended by changing Section 5-5 as follows:

13 (35 ILCS 645/5-5)

14 Sec. 5-5. Municipal electricity infrastructure
15 maintenance fee.

16 (a) Any municipality that on the effective date of this
17 Law had in effect a franchise agreement with an electricity
18 deliverer may impose an infrastructure maintenance fee upon
19 electricity deliverers, as compensation for granting
20 electricity deliverers the privilege of using public rights
21 of way, in an amount specified in subsection (b) of this
22 Section. If more than one electricity deliverer is
23 responsible for the delivery of the same electricity to the
24 same consumer, the fee related to that electricity shall be
25 imposed upon the electricity deliverer who last physically
26 uses the public way for delivery of that electricity prior to
27 its consumption.

28 (b) (1) In municipalities with a population greater than
29 500,000, the amount of the infrastructure maintenance fee
30 imposed under this Section shall not exceed the following
31 maximum rates for kilowatt-hours delivered within the
32 municipality to each purchaser:

1 (i) For the first 2,000 kilowatt-hours of
2 electricity used or consumed in a month: 0.53 cents per
3 kilowatt-hour;

4 (ii) For the next 48,000 kilowatt-hours of
5 electricity used or consumed in a month: 0.35 cents per
6 kilowatt-hour;

7 (iii) For the next 50,000 kilowatt-hours of
8 electricity used or consumed in a month: 0.31 cents per
9 kilowatt-hour;

10 (iv) For the next 400,000 kilowatt-hours of
11 electricity used or consumed in a month: 0.305 cents per
12 kilowatt-hour;

13 (v) For the next 500,000 kilowatt-hours of
14 electricity used or consumed in a month: 0.30 cents per
15 kilowatt-hour;

16 (vi) For the next 2,000,000 kilowatt-hours of
17 electricity used or consumed in a month: 0.28 cents per
18 kilowatt-hour;

19 (vii) For the next 2,000,000 kilowatt-hours of
20 electricity used or consumed in a month: 0.275 cents per
21 kilowatt-hour;

22 (viii) For the next 5,000,000 kilowatt-hours of
23 electricity used or consumed in a month: 0.27 cents per
24 kilowatt-hour;

25 (ix) For the next 10,000,000 kilowatt-hours used or
26 consumed in a month: 0.265 cents per kilowatt-hour;

27 (x) For all kilowatt-hours of electricity in excess
28 of 20,000,000 kilowatt-hours used or consumed in a month:
29 0.26 cents per kilowatt-hour.

30 (2) In municipalities with a population of 500,000 or
31 less, the amount of the infrastructure maintenance fee
32 imposed under this Section shall be imposed based on the
33 kilowatt-hour categories set forth above and shall be
34 calculated on a monthly basis for kilowatt-hours of

1 electricity delivered to each purchaser; provided, that if,
2 immediately prior to imposing an infrastructure maintenance
3 fee, such municipality receives franchise fees, permit fees,
4 free electrical service, or other forms of compensation
5 pursuant to an existing franchise agreement, the rates
6 established for these kilowatt-hour categories for such
7 infrastructure maintenance fee during the term of the
8 franchise agreement shall not exceed rates reasonably
9 calculated, at the time such infrastructure maintenance fee
10 is initially imposed, to generate an amount of revenue
11 equivalent to the value of the compensation received or
12 provided under the franchise agreement.

13 (3) Notwithstanding any other provision of this
14 subsection (b), a fee shall not be imposed if and to the
15 extent that imposition or collection of the fee would violate
16 the Constitution or statutes of the United States or the
17 statutes or Constitution of the State of Illinois.

18 (c) Any electricity deliverer may collect the amount of
19 a fee imposed under this Section from the purchaser using or
20 consuming the electricity with respect to which the fee was
21 imposed. The fee may be collected by the electricity
22 deliverer from the purchaser as a separately stated charge on
23 the purchaser's bills or in any other manner permitted from
24 time to time by law or by the electricity deliverer's
25 tariffs. The electricity deliverer shall be allowed credit
26 for any portion of the fee related to deliveries of
27 electricity the charges for which are written off as
28 uncollectible, provided, that if such charges are thereafter
29 collected, the electricity deliverer shall be obligated to
30 pay such fee. For purposes of this Section, any partial
31 payment not specifically identified by the purchaser shall be
32 deemed to be for the delivery of electricity. No ordinance
33 imposing the fee authorized by this Section with respect to
34 the kilowatt-hours delivered to non-residential customers

1 shall be effective until October 1, 1999. For purposes of
2 this Law, the period of time from the effective date of this
3 Law through and including September 30, 1999 shall be
4 referred to as the "Initial Period."

5 (d) As between the electricity deliverer and the
6 municipality, the fee authorized by this Section shall be
7 collected, enforced, and administered by the municipality
8 imposing the fee. Any municipality adopting an ordinance
9 imposing an infrastructure maintenance fee under this Law
10 shall give written notice to each electricity deliverer
11 subject to the fee not less than 60 days prior to the date
12 the fee is imposed.

13 (d) Beginning in calendar year 2001 and in each calendar
14 year thereafter through calendar year 2006, when the net
15 revenue realized in the calendar year from the fee imposed
16 under this Section or a similar fee imposed under the
17 authority of any home rule power equals 125% of the net
18 revenue realized from the fee imposed under this Section or
19 under the authority of any home rule power in the prior
20 calendar year, no fee shall be imposed under this Section and
21 no similar fee shall be imposed under the authority of any
22 home rule power beginning on that date and through December
23 31 of that year. Beginning on January 1 of the next calendar
24 year, the fee is again imposed under this Section and any
25 similar fee imposed under the authority of any home rule
26 power and suspended under this subsection (d) is again
27 imposed. This amendatory Act of the 92nd General Assembly is
28 a denial and limitation of home rule powers to tax under
29 subsection (g) of Section 6 of Article VII of the Illinois
30 Constitution.

31 (Source: P.A. 90-561, eff. 8-1-98.)

32 Section 20. The Illinois Municipal Code is amended by
33 changing Section 8-11-2 as follows:

1 (65 ILCS 5/8-11-2) (from Ch. 24, par. 8-11-2)

2 Sec. 8-11-2. The corporate authorities of any
3 municipality may tax any or all of the following occupations
4 or privileges:

5 1. Persons engaged in the business of transmitting
6 messages by means of electricity or radio magnetic waves,
7 or fiber optics, at a rate not to exceed 5% of the gross
8 receipts from that business originating within the
9 corporate limits of the municipality. Beginning January
10 1, 2001, prepaid telephone calling arrangements shall not
11 be subject to the tax imposed under this Section. For
12 purposes of this Section, "prepaid telephone calling
13 arrangements" means that term as defined in Section 2-27
14 of the Retailers' Occupation Tax Act.

15 2. Persons engaged in the business of distributing,
16 supplying, furnishing, or selling gas for use or
17 consumption within the corporate limits of a municipality
18 of 500,000 or fewer population, and not for resale, at a
19 rate not to exceed 5% of the gross receipts therefrom.

20 Beginning in calendar year 2001 and in each calendar
21 year thereafter through calendar year 2006, when the net
22 tax revenue realized in the calendar year from the tax
23 imposed under this subparagraph (2) or a similar tax
24 imposed under the authority of any home rule power equals
25 125% of the net tax revenue realized from the tax imposed
26 under this subparagraph (2) or under the authority of any
27 home rule power in the prior calendar year, no tax shall
28 be imposed under this subparagraph (2) and no similar tax
29 shall be imposed under the authority of any home rule
30 power beginning on that date and through December 31 of
31 that year. Beginning on January 1 of the next calendar
32 year, the tax is again imposed under this subparagraph
33 (2) and any similar tax imposed under the authority of
34 any home rule power and suspended under this paragraph is

1 again imposed. This amendatory Act of the 92nd General
2 Assembly is a denial and limitation of home rule powers
3 to tax under subsection (g) of Section 6 of Article VII
4 of the Illinois Constitution.

5 2a. Persons engaged in the business of
6 distributing, supplying, furnishing, or selling gas for
7 use or consumption within the corporate limits of a
8 municipality of over 500,000 population, and not for
9 resale, at a rate not to exceed 8% of the gross receipts
10 therefrom. If imposed, this tax shall be paid in monthly
11 payments.

12 Beginning in calendar year 2001 and in each calendar
13 year thereafter through calendar year 2006, when the net
14 tax revenue realized in the calendar year from the tax
15 imposed under this subparagraph (2a) or a similar tax
16 imposed under the authority of any home rule power equals
17 125% of the net tax revenue realized from the tax imposed
18 under this subparagraph (2a) or under the authority of
19 any home rule power in the prior calendar year, no tax
20 shall be imposed under this subparagraph (2a) and no
21 similar tax shall be imposed under the authority of any
22 home rule power beginning on that date and through
23 December 31 of that year. Beginning on January 1 of the
24 next calendar year, the tax is again imposed under this
25 subparagraph (2a) and any similar tax imposed under the
26 authority of any home rule power and suspended under this
27 paragraph is again imposed. This amendatory Act of the
28 92nd General Assembly is a denial and limitation of home
29 rule powers to tax under subsection (g) of Section 6 of
30 Article VII of the Illinois Constitution.

31 3. The privilege of using or consuming electricity
32 acquired in a purchase at retail and used or consumed
33 within the corporate limits of the municipality at rates
34 not to exceed the following maximum rates, calculated on

1 a monthly basis for each purchaser:

2 (i) For the first 2,000 kilowatt-hours used or
3 consumed in a month; 0.61 cents per kilowatt-hour;

4 (ii) For the next 48,000 kilowatt-hours used or
5 consumed in a month; 0.40 cents per kilowatt-hour;

6 (iii) For the next 50,000 kilowatt-hours used or
7 consumed in a month; 0.36 cents per kilowatt-hour;

8 (iv) For the next 400,000 kilowatt-hours used or
9 consumed in a month; 0.35 cents per kilowatt-hour;

10 (v) For the next 500,000 kilowatt-hours used or
11 consumed in a month; 0.34 cents per kilowatt-hour;

12 (vi) For the next 2,000,000 kilowatt-hours used or
13 consumed in a month; 0.32 cents per kilowatt-hour;

14 (vii) For the next 2,000,000 kilowatt-hours used or
15 consumed in a month; 0.315 cents per kilowatt-hour;

16 (viii) For the next 5,000,000 kilowatt-hours used
17 or consumed in a month; 0.31 cents per kilowatt-hour;

18 (ix) For the next 10,000,000 kilowatt-hours used or
19 consumed in a month; 0.305 cents per kilowatt-hour; and

20 (x) For all electricity used or consumed in excess
21 of 20,000,000 kilowatt-hours in a month, 0.30 cents per
22 kilowatt-hour.

23 If a municipality imposes a tax at rates lower than
24 either the maximum rates specified in this Section or the
25 alternative maximum rates promulgated by the Illinois
26 Commerce Commission, as provided below, the tax rates
27 shall be imposed upon the kilowatt hour categories set
28 forth above with the same proportional relationship as
29 that which exists among such maximum rates.
30 Notwithstanding the foregoing, until December 31, 2008,
31 no municipality shall establish rates that are in excess
32 of rates reasonably calculated to produce revenues that
33 equal the maximum total revenues such municipality could
34 have received under the tax authorized by this

1 subparagraph in the last full calendar year prior to the
2 effective date of Section 65 of this amendatory Act of
3 1997; provided that this shall not be a limitation on the
4 amount of tax revenues actually collected by such
5 municipality.

6 Upon the request of the corporate authorities of a
7 municipality, the Illinois Commerce Commission shall,
8 within 90 days after receipt of such request, promulgate
9 alternative rates for each of these kilowatt-hour
10 categories that will reflect, as closely as reasonably
11 practical for that municipality, the distribution of the
12 tax among classes of purchasers as if the tax were based
13 on a uniform percentage of the purchase price of
14 electricity. A municipality that has adopted an
15 ordinance imposing a tax pursuant to subparagraph 3 as it
16 existed prior to the effective date of Section 65 of this
17 amendatory Act of 1997 may, rather than imposing the tax
18 permitted by this amendatory Act of 1997, continue to
19 impose the tax pursuant to that ordinance with respect to
20 gross receipts received from residential customers
21 through July 31, 1999, and with respect to gross receipts
22 from any non-residential customer until the first bill
23 issued to such customer for delivery services in
24 accordance with Section 16-104 of the Public Utilities
25 Act but in no case later than the last bill issued to
26 such customer before December 31, 2000. No ordinance
27 imposing the tax permitted by this amendatory Act of 1997
28 shall be applicable to any non-residential customer until
29 the first bill issued to such customer for delivery
30 services in accordance with Section 16-104 of the Public
31 Utilities Act but in no case later than the last bill
32 issued to such non-residential customer before December
33 31, 2000.

34 Beginning in calendar year 2001 and in each calendar

1 year thereafter through calendar year 2006, when the net
2 tax revenue realized in the calendar year from the tax
3 imposed under this subparagraph (3) or a similar tax
4 imposed under the authority of any home rule power equals
5 125% of the net tax revenue realized from the tax imposed
6 under this subparagraph (3) or under the authority of any
7 home rule power in the prior calendar year, no tax shall
8 be imposed under this subparagraph (3) and no similar tax
9 shall be imposed under the authority of any home rule
10 power beginning on that date and through December 31 of
11 that year. Beginning on January 1 of the next calendar
12 year, the tax is again imposed under this subparagraph
13 (3) and any similar tax imposed under the authority of
14 any home rule power and suspended under this paragraph is
15 again imposed. This amendatory Act of the 92nd General
16 Assembly is a denial and limitation of home rule powers
17 to tax under subsection (g) of Section 6 of Article VII
18 of the Illinois Constitution.

19 4. Persons engaged in the business of distributing,
20 supplying, furnishing, or selling water for use or
21 consumption within the corporate limits of the
22 municipality, and not for resale, at a rate not to exceed
23 5% of the gross receipts therefrom.

24 None of the taxes authorized by this Section may be
25 imposed with respect to any transaction in interstate
26 commerce or otherwise to the extent to which the business or
27 privilege may not, under the constitution and statutes of the
28 United States, be made the subject of taxation by this State
29 or any political sub-division thereof; nor shall any persons
30 engaged in the business of distributing, supplying,
31 furnishing, selling or transmitting gas, water, or
32 electricity, or engaged in the business of transmitting
33 messages, or using or consuming electricity acquired in a
34 purchase at retail, be subject to taxation under the

1 provisions of this Section for those transactions that are or
2 may become subject to taxation under the provisions of the
3 "Municipal Retailers' Occupation Tax Act" authorized by
4 Section 8-11-1; nor shall any tax authorized by this Section
5 be imposed upon any person engaged in a business or on any
6 privilege unless the tax is imposed in like manner and at the
7 same rate upon all persons engaged in businesses of the same
8 class in the municipality, whether privately or municipally
9 owned or operated, or exercising the same privilege within
10 the municipality.

11 Any of the taxes enumerated in this Section may be in
12 addition to the payment of money, or value of products or
13 services furnished to the municipality by the taxpayer as
14 compensation for the use of its streets, alleys, or other
15 public places, or installation and maintenance therein,
16 thereon or thereunder of poles, wires, pipes or other
17 equipment used in the operation of the taxpayer's business.

18 (a) If the corporate authorities of any home rule
19 municipality have adopted an ordinance that imposed a tax on
20 public utility customers, between July 1, 1971, and October
21 1, 1981, on the good faith belief that they were exercising
22 authority pursuant to Section 6 of Article VII of the 1970
23 Illinois Constitution, that action of the corporate
24 authorities shall be declared legal and valid,
25 notwithstanding a later decision of a judicial tribunal
26 declaring the ordinance invalid. No municipality shall be
27 required to rebate, refund, or issue credits for any taxes
28 described in this paragraph, and those taxes shall be deemed
29 to have been levied and collected in accordance with the
30 Constitution and laws of this State.

31 (b) In any case in which (i) prior to October 19, 1979,
32 the corporate authorities of any municipality have adopted an
33 ordinance imposing a tax authorized by this Section (or by
34 the predecessor provision of the "Revised Cities and Villages

1 Act") and have explicitly or in practice interpreted gross
2 receipts to include either charges added to customers' bills
3 pursuant to the provision of paragraph (a) of Section 36 of
4 the Public Utilities Act or charges added to customers' bills
5 by taxpayers who are not subject to rate regulation by the
6 Illinois Commerce Commission for the purpose of recovering
7 any of the tax liabilities or other amounts specified in such
8 paragraph (a) of Section 36 of that Act, and (ii) on or after
9 October 19, 1979, a judicial tribunal has construed gross
10 receipts to exclude all or part of those charges, then
11 neither those municipality nor any taxpayer who paid the tax
12 shall be required to rebate, refund, or issue credits for any
13 tax imposed or charge collected from customers pursuant to
14 the municipality's interpretation prior to October 19, 1979.
15 This paragraph reflects a legislative finding that it would
16 be contrary to the public interest to require a municipality
17 or its taxpayers to refund taxes or charges attributable to
18 the municipality's more inclusive interpretation of gross
19 receipts prior to October 19, 1979, and is not intended to
20 prescribe or limit judicial construction of this Section. The
21 legislative finding set forth in this subsection does not
22 apply to taxes imposed after the effective date of this
23 amendatory Act of 1995.

24 (c) The tax authorized by subparagraph 3 shall be
25 collected from the purchaser by the person maintaining a
26 place of business in this State who delivers the electricity
27 to the purchaser. This tax shall constitute a debt of the
28 purchaser to the person who delivers the electricity to the
29 purchaser and if unpaid, is recoverable in the same manner as
30 the original charge for delivering the electricity. Any tax
31 required to be collected pursuant to an ordinance authorized
32 by subparagraph 3 and any such tax collected by a person
33 delivering electricity shall constitute a debt owed to the
34 municipality by such person delivering the electricity,

1 provided, that the person delivering electricity shall be
2 allowed credit for such tax related to deliveries of
3 electricity the charges for which are written off as
4 uncollectible, and provided further, that if such charges are
5 thereafter collected, the delivering supplier shall be
6 obligated to remit such tax. For purposes of this subsection
7 (c), any partial payment not specifically identified by the
8 purchaser shall be deemed to be for the delivery of
9 electricity. Persons delivering electricity shall collect the
10 tax from the purchaser by adding such tax to the gross charge
11 for delivering the electricity, in the manner prescribed by
12 the municipality. Persons delivering electricity shall also
13 be authorized to add to such gross charge an amount equal to
14 3% of the tax to reimburse the person delivering electricity
15 for the expenses incurred in keeping records, billing
16 customers, preparing and filing returns, remitting the tax
17 and supplying data to the municipality upon request. If the
18 person delivering electricity fails to collect the tax from
19 the purchaser, then the purchaser shall be required to pay
20 the tax directly to the municipality in the manner prescribed
21 by the municipality. Persons delivering electricity who file
22 returns pursuant to this paragraph (c) shall, at the time of
23 filing such return, pay the municipality the amount of the
24 tax collected pursuant to subparagraph 3.

25 (d) For the purpose of the taxes enumerated in this
26 Section:

27 "Gross receipts" means the consideration received for the
28 transmission of messages, the consideration received for
29 distributing, supplying, furnishing or selling gas for use or
30 consumption and not for resale, and the consideration
31 received for distributing, supplying, furnishing or selling
32 water for use or consumption and not for resale, and for all
33 services rendered in connection therewith valued in money,
34 whether received in money or otherwise, including cash,

1 credit, services and property of every kind and material and
2 for all services rendered therewith, and shall be determined
3 without any deduction on account of the cost of transmitting
4 such messages, without any deduction on account of the cost
5 of the service, product or commodity supplied, the cost of
6 materials used, labor or service cost, or any other expenses
7 whatsoever. "Gross receipts" shall not include that portion
8 of the consideration received for distributing, supplying,
9 furnishing, or selling gas or water to, or for the
10 transmission of messages for, business enterprises described
11 in paragraph (e) of this Section to the extent and during the
12 period in which the exemption authorized by paragraph (e) is
13 in effect or for school districts or units of local
14 government described in paragraph (f) during the period in
15 which the exemption authorized in paragraph (f) is in effect.
16 "Gross receipts" shall not include amounts paid by
17 telecommunications retailers under the Telecommunications
18 Municipal Infrastructure Maintenance Fee Act.

19 For utility bills issued on or after May 1, 1996, but
20 before May 1, 1997, and for receipts from those utility
21 bills, "gross receipts" does not include one-third of (i)
22 amounts added to customers' bills under Section 9-222 of the
23 Public Utilities Act, or (ii) amounts added to customers'
24 bills by taxpayers who are not subject to rate regulation by
25 the Illinois Commerce Commission for the purpose of
26 recovering any of the tax liabilities described in Section
27 9-222 of the Public Utilities Act. For utility bills issued
28 on or after May 1, 1997, but before May 1, 1998, and for
29 receipts from those utility bills, "gross receipts" does not
30 include two-thirds of (i) amounts added to customers' bills
31 under Section 9-222 of the Public Utilities Act, or (ii)
32 amount added to customers' bills by taxpayers who are not
33 subject to rate regulation by the Illinois Commerce
34 Commission for the purpose of recovering any of the tax

1 liabilities described in Section 9-222 of the Public
2 Utilities Act. For utility bills issued on or after May 1,
3 1998, and for receipts from those utility bills, "gross
4 receipts" does not include (i) amounts added to customers'
5 bills under Section 9-222 of the Public Utilities Act, or
6 (ii) amounts added to customers' bills by taxpayers who are
7 not subject to rate regulation by the Illinois Commerce
8 Commission for the purpose of recovering any of the tax
9 liabilities described in Section 9-222 of the Public
10 Utilities Act.

11 For purposes of this Section "gross receipts" shall not
12 include (i) amounts added to customers' bills under Section
13 9-221 of the Public Utilities Act, or (ii) charges added to
14 customers' bills to recover the surcharge imposed under the
15 Emergency Telephone System Act. This paragraph is not
16 intended to nor does it make any change in the meaning of
17 "gross receipts" for the purposes of this Section, but is
18 intended to remove possible ambiguities, thereby confirming
19 the existing meaning of "gross receipts" prior to the
20 effective date of this amendatory Act of 1995.

21 The words "transmitting messages", in addition to the
22 usual and popular meaning of person to person communication,
23 shall include the furnishing, for a consideration, of
24 services or facilities (whether owned or leased), or both, to
25 persons in connection with the transmission of messages where
26 those persons do not, in turn, receive any consideration in
27 connection therewith, but shall not include such furnishing
28 of services or facilities to persons for the transmission of
29 messages to the extent that any such services or facilities
30 for the transmission of messages are furnished for a
31 consideration, by those persons to other persons, for the
32 transmission of messages.

33 "Person" as used in this Section means any natural
34 individual, firm, trust, estate, partnership, association,

1 joint stock company, joint adventure, corporation, limited
2 liability company, municipal corporation, the State or any of
3 its political subdivisions, any State university created by
4 statute, or a receiver, trustee, guardian or other
5 representative appointed by order of any court.

6 "Person maintaining a place of business in this State"
7 shall mean any person having or maintaining within this
8 State, directly or by a subsidiary or other affiliate, an
9 office, generation facility, distribution facility,
10 transmission facility, sales office or other place of
11 business, or any employee, agent, or other representative
12 operating within this State under the authority of the person
13 or its subsidiary or other affiliate, irrespective of whether
14 such place of business or agent or other representative is
15 located in this State permanently or temporarily, or whether
16 such person, subsidiary or other affiliate is licensed or
17 qualified to do business in this State.

18 "Public utility" shall have the meaning ascribed to it in
19 Section 3-105 of the Public Utilities Act and shall include
20 telecommunications carriers as defined in Section 13-202 of
21 that Act and alternative retail electric suppliers as defined
22 in Section 16-102 of that Act.

23 "Purchase at retail" shall mean any acquisition of
24 electricity by a purchaser for purposes of use or
25 consumption, and not for resale, but shall not include the
26 use of electricity by a public utility directly in the
27 generation, production, transmission, delivery or sale of
28 electricity.

29 "Purchaser" shall mean any person who uses or consumes,
30 within the corporate limits of the municipality, electricity
31 acquired in a purchase at retail.

32 In the case of persons engaged in the business of
33 transmitting messages through the use of mobile equipment,
34 such as cellular phones and paging systems, the gross

1 receipts from the business shall be deemed to originate
2 within the corporate limits of a municipality only if the
3 address to which the bills for the service are sent is within
4 those corporate limits. If, however, that address is not
5 located within a municipality that imposes a tax under this
6 Section, then (i) if the party responsible for the bill is
7 not an individual, the gross receipts from the business shall
8 be deemed to originate within the corporate limits of the
9 municipality where that party's principal place of business
10 in Illinois is located, and (ii) if the party responsible for
11 the bill is an individual, the gross receipts from the
12 business shall be deemed to originate within the corporate
13 limits of the municipality where that party's principal
14 residence in Illinois is located.

15 (e) Any municipality that imposes taxes upon public
16 utilities or upon the privilege of using or consuming
17 electricity pursuant to this Section whose territory includes
18 any part of an enterprise zone or federally designated
19 Foreign Trade Zone or Sub-Zone may, by a majority vote of its
20 corporate authorities, exempt from those taxes for a period
21 not exceeding 20 years any specified percentage of gross
22 receipts of public utilities received from, or electricity
23 used or consumed by, business enterprises that:

24 (1) either (i) make investments that cause the
25 creation of a minimum of 200 full-time equivalent jobs in
26 Illinois, (ii) make investments of at least \$175,000,000
27 that cause the creation of a minimum of 150 full-time
28 equivalent jobs in Illinois, or (iii) make investments
29 that cause the retention of a minimum of 1,000 full-time
30 jobs in Illinois; and

31 (2) are either (i) located in an Enterprise Zone
32 established pursuant to the Illinois Enterprise Zone Act
33 or (ii) Department of Commerce and Community Affairs
34 designated High Impact Businesses located in a federally

1 designated Foreign Trade Zone or Sub-Zone; and

2 (3) are certified by the Department of Commerce and
3 Community Affairs as complying with the requirements
4 specified in clauses (1) and (2) of this paragraph (e).

5 Upon adoption of the ordinance authorizing the exemption,
6 the municipal clerk shall transmit a copy of that ordinance
7 to the Department of Commerce and Community Affairs. The
8 Department of Commerce and Community Affairs shall determine
9 whether the business enterprises located in the municipality
10 meet the criteria prescribed in this paragraph. If the
11 Department of Commerce and Community Affairs determines that
12 the business enterprises meet the criteria, it shall grant
13 certification. The Department of Commerce and Community
14 Affairs shall act upon certification requests within 30 days
15 after receipt of the ordinance.

16 Upon certification of the business enterprise by the
17 Department of Commerce and Community Affairs, the Department
18 of Commerce and Community Affairs shall notify the Department
19 of Revenue of the certification. The Department of Revenue
20 shall notify the public utilities of the exemption status of
21 the gross receipts received from, and the electricity used or
22 consumed by, the certified business enterprises. Such
23 exemption status shall be effective within 3 months after
24 certification.

25 (f) A municipality that imposes taxes upon public
26 utilities or upon the privilege of using or consuming
27 electricity under this Section and whose territory includes
28 part of another unit of local government or a school district
29 may by ordinance exempt the other unit of local government or
30 school district from those taxes.

31 (g) The amendment of this Section by Public Act 84-127
32 shall take precedence over any other amendment of this
33 Section by any other amendatory Act passed by the 84th
34 General Assembly before the effective date of Public Act

1 84-127.

2 (h) In any case in which, before July 1, 1992, a person
3 engaged in the business of transmitting messages through the
4 use of mobile equipment, such as cellular phones and paging
5 systems, has determined the municipality within which the
6 gross receipts from the business originated by reference to
7 the location of its transmitting or switching equipment, then
8 (i) neither the municipality to which tax was paid on that
9 basis nor the taxpayer that paid tax on that basis shall be
10 required to rebate, refund, or issue credits for any such tax
11 or charge collected from customers to reimburse the taxpayer
12 for the tax and (ii) no municipality to which tax would have
13 been paid with respect to those gross receipts if the
14 provisions of this amendatory Act of 1991 had been in effect
15 before July 1, 1992, shall have any claim against the
16 taxpayer for any amount of the tax.

17 (Source: P.A. 90-16, eff. 6-16-97; 90-561, eff. 8-1-98;
18 90-562, eff. 12-16-97; 90-655, eff. 7-30-98; 91-870, eff.
19 6-22-00.)

20 Section 90. The State Mandates Act is amended by adding
21 Section 8.25 as follows:

22 (30 ILCS 805/8.25 new)

23 Sec. 8.25. Exempt mandate. Notwithstanding Sections 6
24 and 8 of this Act, no reimbursement by the State is required
25 for the implementation of any mandate created by this
26 amendatory Act of the 92nd General Assembly.

27 Section 99. Effective date. This Act takes effect upon
28 becoming law.