

1 AN ACT concerning revenue.

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

4 Section 5. The Hotel Operators' Occupation Tax Act is  
5 amended by changing Sections 2, 3, and 9 as follows:

6 (35 ILCS 145/2) (from Ch. 120, par. 481b.32)

7 Sec. 2. Definitions. As used in this Act, unless the  
8 context otherwise requires:

9 (1) "Hotel" means any building or buildings in which  
10 the public may, for a consideration, obtain living  
11 quarters, sleeping or housekeeping accommodations. The  
12 term includes, but is not limited to, inns, motels, tourist  
13 homes or courts, lodging houses, rooming houses and  
14 apartment houses, retreat centers, conference centers, and  
15 hunting lodges.

16 (2) "Operator" means any person operating a hotel.

17 (3) "Occupancy" means the use or possession, or the  
18 right to the use or possession, of any room or rooms in a  
19 hotel for any purpose, or the right to the use or  
20 possession of the furnishings or to the services and  
21 accommodations accompanying the use and possession of the  
22 room or rooms.

23 (4) "Room" or "rooms" means any living quarters,

1 sleeping or housekeeping accommodations.

2 (5) "Permanent resident" means any person who occupied  
3 or has the right to occupy any room or rooms, regardless of  
4 whether or not it is the same room or rooms, in a hotel for  
5 at least 30 consecutive days.

6 (6) "Rent" or "rental" means the consideration  
7 received for occupancy, valued in money, whether received  
8 in money or otherwise, including all receipts, cash,  
9 credits and property or services of any kind or nature.

10 (7) "Department" means the Department of Revenue.

11 (8) "Person" means any natural individual, firm,  
12 partnership, association, joint stock company, joint  
13 adventure, public or private corporation, limited  
14 liability company, or a receiver, executor, trustee,  
15 guardian or other representative appointed by order of any  
16 court.

17 (Source: P.A. 87-951; 88-480.)

18 (35 ILCS 145/3) (from Ch. 120, par. 481b.33)

19 Sec. 3. Rate; Exemptions ~~Exemption~~.

20 (a) A tax is imposed upon persons engaged in the business  
21 of renting, leasing or letting rooms in a hotel at the rate of  
22 5% of 94% of the gross rental receipts from such renting,  
23 leasing or letting, excluding, however, from gross rental  
24 receipts, the proceeds of such renting, leasing or letting to  
25 permanent residents of that hotel and proceeds from the tax

1 imposed under subsection (c) of Section 13 of the Metropolitan  
2 Pier and Exposition Authority Act.

3 (b) ~~There Commencing on the first day of the first month~~  
4 ~~after the month this amendatory Act of 1984 becomes law, there~~  
5 shall be imposed an additional tax upon persons engaged in the  
6 business of renting, leasing or letting rooms in a hotel at the  
7 rate of 1% of 94% of the gross rental receipts from such  
8 renting, leasing or letting, excluding, however, from gross  
9 rental receipts, the proceeds of such renting, leasing or  
10 letting to permanent residents of that hotel and proceeds from  
11 the tax imposed under subsection (c) of Section 13 of the  
12 Metropolitan Pier and Exposition Authority Act.

13 (c) No funds received pursuant to this Act shall be used to  
14 advertise for or otherwise promote new competition in the hotel  
15 business.

16 (d) However, such tax is not imposed upon the privilege of  
17 engaging in any business in Interstate Commerce or otherwise,  
18 which business may not, under the Constitution and Statutes of  
19 the United States, be made the subject of taxation by this  
20 State. In addition, the tax is not imposed upon gross rental  
21 receipts for which the hotel operator is prohibited from  
22 obtaining reimbursement for the tax from the customer by reason  
23 of a federal treaty.

24 (d-5) On and after July 1, 2017, the tax imposed by this  
25 Act shall not apply to gross rental receipts received by an  
26 entity that is organized and operated exclusively for religious

1 purposes and possesses an active Exemption Identification  
2 Number issued by the Department pursuant to the Retailers'  
3 Occupation Tax Act when acting as a hotel operator renting,  
4 leasing, or letting rooms:

5 (1) in furtherance of the purposes for which it is  
6 organized; or

7 (2) to entities that (i) are organized and operated  
8 exclusively for religious purposes, (ii) possess an active  
9 Exemption Identification Number issued by the Department  
10 pursuant to the Retailers' Occupation Tax Act, and (iii)  
11 rent the rooms in furtherance of the purposes for which  
12 they are organized.

13 No gross rental receipts are exempt under paragraph (2) of  
14 this subsection (d-5) unless the hotel operator obtains the  
15 active Exemption Identification Number from the exclusively  
16 religious entity to whom it is renting and maintains that  
17 number in its books and records. Gross rental receipts from all  
18 rentals other than those described in items (1) or (2) of this  
19 subsection (d-5) are subject to the tax imposed by this Act  
20 unless otherwise exempt under this Act.

21 This subsection (d-5) is exempt from the sunset provisions  
22 of Section 3-5 of this Act.

23 (e) Persons subject to the tax imposed by this Act may  
24 reimburse themselves for their tax liability under this Act by  
25 separately stating such tax as an additional charge, which  
26 charge may be stated in combination, in a single amount, with

1 any tax imposed pursuant to Sections 8-3-13 and 8-3-14 of the  
2 Illinois Municipal Code, and Section 25.05-10 of "An Act to  
3 revise the law in relation to counties".

4 (f) If any hotel operator collects an amount (however  
5 designated) which purports to reimburse such operator for hotel  
6 operators' occupation tax liability measured by receipts which  
7 are not subject to hotel operators' occupation tax, or if any  
8 hotel operator, in collecting an amount (however designated)  
9 which purports to reimburse such operator for hotel operators'  
10 occupation tax liability measured by receipts which are subject  
11 to tax under this Act, collects more from the customer than the  
12 operators' hotel operators' occupation tax liability in the  
13 transaction is, the customer shall have a legal right to claim  
14 a refund of such amount from such operator. However, if such  
15 amount is not refunded to the customer for any reason, the  
16 hotel operator is liable to pay such amount to the Department.

17 (Source: P.A. 87-733.)

18 (35 ILCS 145/9) (from Ch. 120, par. 481b.39)

19 Sec. 9. Applicability. Persons engaged in the business of  
20 renting, leasing or letting rooms in a hotel only to permanent  
21 residents are exempt from the provisions of this Act. In  
22 addition, persons engaged in the business of renting, leasing,  
23 or letting rooms in a hotel whose only rentals are as described  
24 in items (1) and (2) of subsection (d-5) of Section 3 of this  
25 Act are exempt from the provisions of this Act.

1 (Source: Laws 1961, p. 1728.)

2 Section 99. Effective date. This Act takes effect upon  
3 becoming law.