



100TH GENERAL ASSEMBLY

State of Illinois

2017 and 2018

SB3445

Introduced 2/16/2018, by Sen. Pamela J. Althoff

SYNOPSIS AS INTRODUCED:

See Index

Amends the Corporate Accountability for Tax Expenditures Act. Repeals a Section requiring the Department of Revenue to submit an annual Unified Economic Development Budget to the General Assembly. Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. Makes changes concerning electronic payments. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that property purchased by a purchaser who is exempt from tax under federal law is exempt from the taxes under those Acts. Makes changes concerning rolling stock. Amends the State Finance Act, the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, the Retailers' Occupation Tax Act, and numerous other Acts imposing local use and occupation taxes to include a reference to tangible personal property that is subject to the 1% rate under the Retailers' Occupation Tax Act and the Service Occupation Tax Act (currently, those items are specifically named). Amends the Motor Fuel Tax Law. Provides that certain waivers may be granted in case of a disaster in another jurisdiction (currently, another state). Amends the Illinois Horse Racing Act of 1975. Makes changes concerning the collection of the pari-mutuel tax. Makes other changes. Effective immediately.

LRB100 20331 HLH 35618 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Renewable Energy, Energy Efficiency, and
5 Coal Resources Development Law of 1997 is amended by changing
6 Section 6-5 and by adding Section 6-8 as follows:

7 (20 ILCS 687/6-5)

8 (Section scheduled to be repealed on December 31, 2020)

9 Sec. 6-5. Renewable Energy Resources and Coal Technology
10 Development Assistance Charge.

11 (a) Notwithstanding the provisions of Section 16-111 of the
12 Public Utilities Act but subject to subsection (e) of this
13 Section, each public utility, electric cooperative, as defined
14 in Section 3.4 of the Electric Supplier Act, and municipal
15 utility, as referenced in Section 3-105 of the Public Utilities
16 Act, that is engaged in the delivery of electricity or the
17 distribution of natural gas within the State of Illinois shall,
18 effective January 1, 1998, assess each of its customer accounts
19 a monthly Renewable Energy Resources and Coal Technology
20 Development Assistance Charge. The delivering public utility,
21 municipal electric or gas utility, or electric or gas
22 cooperative for a self-assessing purchaser remains subject to
23 the collection of the fee imposed by this Section. The monthly

1 charge shall be as follows:

2 (1) \$0.05 per month on each account for residential
3 electric service as defined in Section 13 of the Energy
4 Assistance Act;

5 (2) \$0.05 per month on each account for residential gas
6 service as defined in Section 13 of the Energy Assistance
7 Act;

8 (3) \$0.50 per month on each account for nonresidential
9 electric service, as defined in Section 13 of the Energy
10 Assistance Act, which had less than 10 megawatts of peak
11 demand during the previous calendar year;

12 (4) \$0.50 per month on each account for nonresidential
13 gas service, as defined in Section 13 of the Energy
14 Assistance Act, which had distributed to it less than
15 4,000,000 therms of gas during the previous calendar year;

16 (5) \$37.50 per month on each account for nonresidential
17 electric service, as defined in Section 13 of the Energy
18 Assistance Act, which had 10 megawatts or greater of peak
19 demand during the previous calendar year; and

20 (6) \$37.50 per month on each account for nonresidential
21 gas service, as defined in Section 13 of the Energy
22 Assistance Act, which had 4,000,000 or more therms of gas
23 distributed to it during the previous calendar year.

24 (b) The Renewable Energy Resources and Coal Technology
25 Development Assistance Charge assessed by electric and gas
26 public utilities shall be considered a charge for public

1 utility service.

2 (c) Fifty percent of the moneys collected pursuant to this
3 Section shall be deposited in the Renewable Energy Resources
4 Trust Fund by the Department of Revenue. From those funds,
5 \$2,000,000 may be used annually by the Department to provide
6 grants to the Illinois Green Economy Network for the purposes
7 of funding education and training for renewable energy and
8 energy efficiency technology and for the operation and services
9 of the Illinois Green Economy Network. The remaining 50 percent
10 of the moneys collected pursuant to this Section shall be
11 deposited in the Coal Technology Development Assistance Fund by
12 the Department of Revenue for the exclusive purposes of (1)
13 capturing or sequestering carbon emissions produced by coal
14 combustion; (2) supporting research on the capture and
15 sequestration of carbon emissions produced by coal combustion;
16 and (3) improving coal miner safety.

17 (d) By the 20th day of the month following the month in
18 which the charges imposed by this Section were collected, each
19 utility and alternative retail electric supplier collecting
20 charges pursuant to this Section shall remit to the Department
21 of Revenue for deposit in the Renewable Energy Resources Trust
22 Fund and the Coal Technology Development Assistance Fund all
23 moneys received as payment of the charge provided for in this
24 Section on a return prescribed and furnished by the Department
25 of Revenue showing such information as the Department of
26 Revenue may reasonably require.

1 If any payment provided for in this Section exceeds the
2 utility or alternate retail electric supplier's liabilities
3 under this Act, as shown on an original return, the utility or
4 alternative retail electric supplier may credit the excess
5 payment against liability subsequently to be remitted to the
6 Department of Revenue under this Act.

7 (e) The charges imposed by this Section shall only apply to
8 customers of municipal electric or gas utilities and electric
9 or gas cooperatives if the municipal electric or gas utility or
10 electric or gas cooperative makes an affirmative decision to
11 impose the charge. If a municipal electric or gas utility or an
12 electric or gas cooperative makes an affirmative decision to
13 impose the charge provided by this Section, the municipal
14 electric or gas utility or electric or gas cooperative shall
15 inform the Department of Revenue in writing of such decision
16 when it begins to impose the charge. If a municipal electric or
17 gas utility or electric or gas cooperative does not assess this
18 charge, its customers shall not be eligible for the Renewable
19 Energy Resources Program.

20 (f) The Department of Revenue may establish such rules as
21 it deems necessary to implement this Section.

22 (Source: P.A. 100-402, eff. 8-25-17.)

23 (20 ILCS 687/6-8 new)

24 Sec. 6-8. Application of Retailers' Occupation Tax
25 provisions. All the provisions of Sections 4, 5, 5a, 5b, 5c,

1 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12,
2 and 13 of the Retailers' Occupation Tax Act that are not
3 inconsistent with this Act apply, as far as practicable, to the
4 surcharge imposed by this Act to the same extent as if those
5 provisions were included in this Act. References in the
6 incorporated Sections of the Retailers' Occupation Tax Act to
7 retailers, to sellers, or to persons engaged in the business of
8 selling tangible personal property mean persons required to
9 remit the charge imposed under this Act.

10 (20 ILCS 715/10 rep.)

11 Section 10. The Corporate Accountability for Tax
12 Expenditures Act is amended by repealing Section 10.

13 Section 15. The Department of Revenue Law of the Civil
14 Administrative Code of Illinois is amended by changing Section
15 2505-210 as follows:

16 (20 ILCS 2505/2505-210) (was 20 ILCS 2505/39c-1)

17 Sec. 2505-210. Electronic funds transfer.

18 (a) The Department may provide means by which persons
19 having a tax liability under any Act administered by the
20 Department may use electronic funds transfer to pay the tax
21 liability.

22 (b) Mandatory payment by electronic funds transfer.
23 Beginning on October 1, 2002, and through September 30, 2010, a

1 taxpayer who has an annual tax liability of \$200,000 or more
2 shall make all payments of that tax to the Department by
3 electronic funds transfer. Beginning October 1, 2010, a
4 taxpayer (other than an individual taxpayer) who has an annual
5 tax liability of \$20,000 or more and an individual taxpayer who
6 has an annual tax liability of \$200,000 or more shall make all
7 payments of that tax to the Department by electronic funds
8 transfer. Before August 1 of each year, beginning in 2002, the
9 Department shall notify all taxpayers required to make payments
10 by electronic funds transfer. All taxpayers required to make
11 payments by electronic funds transfer shall make those payments
12 for a minimum of one year beginning on October 1. For purposes
13 of this subsection (b), the term "annual tax liability" means,
14 except as provided in subsections (c) and (d) of this Section,
15 the sum of the taxpayer's liabilities under a tax Act
16 administered by the Department, ~~except the Motor Fuel Tax Law~~
17 ~~and the Environmental Impact Fee Law,~~ for the immediately
18 preceding calendar year.

19 (c) For purposes of subsection (b), the term "annual tax
20 liability" means, for a taxpayer that incurs a tax liability
21 under the Retailers' Occupation Tax Act, Service Occupation Tax
22 Act, Use Tax Act, Service Use Tax Act, or any other State or
23 local occupation or use tax law that is administered by the
24 Department, the sum of the taxpayer's liabilities under the
25 Retailers' Occupation Tax Act, Service Occupation Tax Act, Use
26 Tax Act, Service Use Tax Act, and all other State and local

1 occupation and use tax laws administered by the Department for
2 the immediately preceding calendar year.

3 (d) For purposes of subsection (b), the term "annual tax
4 liability" means, for a taxpayer that incurs an Illinois income
5 tax liability, the greater of:

6 (1) the amount of the taxpayer's tax liability under
7 Article 7 of the Illinois Income Tax Act for the
8 immediately preceding calendar year; or

9 (2) the taxpayer's estimated tax payment obligation
10 under Article 8 of the Illinois Income Tax Act for the
11 immediately preceding calendar year.

12 (e) The Department shall adopt such rules as are necessary
13 to effectuate a program of electronic funds transfer and the
14 requirements of this Section.

15 (Source: P.A. 96-1027, eff. 7-12-10.)

16 Section 20. The State Finance Act is amended by changing
17 Section 6z-18 as follows:

18 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

19 Sec. 6z-18. Local Government Tax Fund. A portion of the
20 money paid into the Local Government Tax Fund from sales of
21 tangible personal property taxed at the 1% rate under the
22 Retailers' Occupation Tax Act and the Service Occupation Tax
23 Act ~~food for human consumption which is to be consumed off the~~
24 ~~premises where it is sold (other than alcoholic beverages, soft~~

1 ~~drinks and food which has been prepared for immediate~~
2 ~~consumption) and prescription and nonprescription medicines,~~
3 ~~drugs, medical appliances and insulin, urine testing~~
4 ~~materials, syringes and needles used by diabetics, which~~
5 occurred in municipalities, shall be distributed to each
6 municipality based upon the sales which occurred in that
7 municipality. The remainder shall be distributed to each county
8 based upon the sales which occurred in the unincorporated area
9 of that county.

10 A portion of the money paid into the Local Government Tax
11 Fund from the 6.25% general use tax rate on the selling price
12 of tangible personal property which is purchased outside
13 Illinois at retail from a retailer and which is titled or
14 registered by any agency of this State's government shall be
15 distributed to municipalities as provided in this paragraph.
16 Each municipality shall receive the amount attributable to
17 sales for which Illinois addresses for titling or registration
18 purposes are given as being in such municipality. The remainder
19 of the money paid into the Local Government Tax Fund from such
20 sales shall be distributed to counties. Each county shall
21 receive the amount attributable to sales for which Illinois
22 addresses for titling or registration purposes are given as
23 being located in the unincorporated area of such county.

24 A portion of the money paid into the Local Government Tax
25 Fund from the 6.25% general rate (and, beginning July 1, 2000
26 and through December 31, 2000, the 1.25% rate on motor fuel and

1 gasohol, and beginning on August 6, 2010 through August 15,
2 2010, the 1.25% rate on sales tax holiday items) on sales
3 subject to taxation under the Retailers' Occupation Tax Act and
4 the Service Occupation Tax Act, which occurred in
5 municipalities, shall be distributed to each municipality,
6 based upon the sales which occurred in that municipality. The
7 remainder shall be distributed to each county, based upon the
8 sales which occurred in the unincorporated area of such county.

9 For the purpose of determining allocation to the local
10 government unit, a retail sale by a producer of coal or other
11 mineral mined in Illinois is a sale at retail at the place
12 where the coal or other mineral mined in Illinois is extracted
13 from the earth. This paragraph does not apply to coal or other
14 mineral when it is delivered or shipped by the seller to the
15 purchaser at a point outside Illinois so that the sale is
16 exempt under the United States Constitution as a sale in
17 interstate or foreign commerce.

18 Whenever the Department determines that a refund of money
19 paid into the Local Government Tax Fund should be made to a
20 claimant instead of issuing a credit memorandum, the Department
21 shall notify the State Comptroller, who shall cause the order
22 to be drawn for the amount specified, and to the person named,
23 in such notification from the Department. Such refund shall be
24 paid by the State Treasurer out of the Local Government Tax
25 Fund.

26 As soon as possible after the first day of each month,

1 beginning January 1, 2011, upon certification of the Department
2 of Revenue, the Comptroller shall order transferred, and the
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
4 local sales tax increment, as defined in the Innovation
5 Development and Economy Act, collected during the second
6 preceding calendar month for sales within a STAR bond district
7 and deposited into the Local Government Tax Fund, less 3% of
8 that amount, which shall be transferred into the Tax Compliance
9 and Administration Fund and shall be used by the Department,
10 subject to appropriation, to cover the costs of the Department
11 in administering the Innovation Development and Economy Act.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to named municipalities
16 and counties, the municipalities and counties to be those
17 entitled to distribution of taxes or penalties paid to the
18 Department during the second preceding calendar month. The
19 amount to be paid to each municipality or county shall be the
20 amount (not including credit memoranda) collected during the
21 second preceding calendar month by the Department and paid into
22 the Local Government Tax Fund, plus an amount the Department
23 determines is necessary to offset any amounts which were
24 erroneously paid to a different taxing body, and not including
25 an amount equal to the amount of refunds made during the second
26 preceding calendar month by the Department, and not including

1 any amount which the Department determines is necessary to
2 offset any amounts which are payable to a different taxing body
3 but were erroneously paid to the municipality or county, and
4 not including any amounts that are transferred to the STAR
5 Bonds Revenue Fund. Within 10 days after receipt, by the
6 Comptroller, of the disbursement certification to the
7 municipalities and counties, provided for in this Section to be
8 given to the Comptroller by the Department, the Comptroller
9 shall cause the orders to be drawn for the respective amounts
10 in accordance with the directions contained in such
11 certification.

12 When certifying the amount of monthly disbursement to a
13 municipality or county under this Section, the Department shall
14 increase or decrease that amount by an amount necessary to
15 offset any misallocation of previous disbursements. The offset
16 amount shall be the amount erroneously disbursed within the 6
17 months preceding the time a misallocation is discovered.

18 The provisions directing the distributions from the
19 special fund in the State Treasury provided for in this Section
20 shall constitute an irrevocable and continuing appropriation
21 of all amounts as provided herein. The State Treasurer and
22 State Comptroller are hereby authorized to make distributions
23 as provided in this Section.

24 In construing any development, redevelopment, annexation,
25 preannexation or other lawful agreement in effect prior to
26 September 1, 1990, which describes or refers to receipts from a

1 county or municipal retailers' occupation tax, use tax or
2 service occupation tax which now cannot be imposed, such
3 description or reference shall be deemed to include the
4 replacement revenue for such abolished taxes, distributed from
5 the Local Government Tax Fund.

6 As soon as possible after the effective date of this
7 amendatory Act of the 98th General Assembly, the State
8 Comptroller shall order and the State Treasurer shall transfer
9 \$6,600,000 from the Local Government Tax Fund to the Illinois
10 State Medical Disciplinary Fund.

11 (Source: P.A. 97-333, eff. 8-12-11; 98-3, eff. 3-8-13.)

12 Section 25. The Illinois Income Tax Act is amended by
13 changing Section 901 and by adding Section 703A as follows:

14 (35 ILCS 5/703A new)

15 Sec. 703A. Information for reportable payment
16 transactions. Every person required under Section 6050W of the
17 Internal Revenue Code to file federal Form 1099-K, Third-Party
18 Payment Card and Third Party Network Transactions, identifying
19 a reportable payment transaction to a payee with an Illinois
20 address shall furnish a copy to the Department at such time and
21 in such manner as the Department may prescribe.

22 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

23 Sec. 901. Collection authority.

1 (a) In general. The Department shall collect the taxes
2 imposed by this Act. The Department shall collect certified
3 past due child support amounts under Section 2505-650 of the
4 Department of Revenue Law of the Civil Administrative Code of
5 Illinois. Except as provided in subsections (b), (c), (e), (f),
6 (g), and (h) of this Section, money collected pursuant to
7 subsections (a) and (b) of Section 201 of this Act shall be
8 paid into the General Revenue Fund in the State treasury; money
9 collected pursuant to subsections (c) and (d) of Section 201 of
10 this Act shall be paid into the Personal Property Tax
11 Replacement Fund, a special fund in the State Treasury; and
12 money collected under Section 2505-650 of the Department of
13 Revenue Law of the Civil Administrative Code of Illinois ~~(20~~
14 ~~ILCS 2505/2505-650)~~ shall be paid into the Child Support
15 Enforcement Trust Fund, a special fund outside the State
16 Treasury, or to the State Disbursement Unit established under
17 Section 10-26 of the Illinois Public Aid Code, as directed by
18 the Department of Healthcare and Family Services.

19 (b) Local Government Distributive Fund. Beginning August
20 1, 1969, and continuing through June 30, 1994, the Treasurer
21 shall transfer each month from the General Revenue Fund to a
22 special fund in the State treasury, to be known as the "Local
23 Government Distributive Fund", an amount equal to 1/12 of the
24 net revenue realized from the tax imposed by subsections (a)
25 and (b) of Section 201 of this Act during the preceding month.
26 Beginning July 1, 1994, and continuing through June 30, 1995,

1 the Treasurer shall transfer each month from the General
2 Revenue Fund to the Local Government Distributive Fund an
3 amount equal to 1/11 of the net revenue realized from the tax
4 imposed by subsections (a) and (b) of Section 201 of this Act
5 during the preceding month. Beginning July 1, 1995 and
6 continuing through January 31, 2011, the Treasurer shall
7 transfer each month from the General Revenue Fund to the Local
8 Government Distributive Fund an amount equal to the net of (i)
9 1/10 of the net revenue realized from the tax imposed by
10 subsections (a) and (b) of Section 201 of the Illinois Income
11 Tax Act during the preceding month (ii) minus, beginning July
12 1, 2003 and ending June 30, 2004, \$6,666,666, and beginning
13 July 1, 2004, zero. Beginning February 1, 2011, and continuing
14 through January 31, 2015, the Treasurer shall transfer each
15 month from the General Revenue Fund to the Local Government
16 Distributive Fund an amount equal to the sum of (i) 6% (10% of
17 the ratio of the 3% individual income tax rate prior to 2011 to
18 the 5% individual income tax rate after 2010) of the net
19 revenue realized from the tax imposed by subsections (a) and
20 (b) of Section 201 of this Act upon individuals, trusts, and
21 estates during the preceding month and (ii) 6.86% (10% of the
22 ratio of the 4.8% corporate income tax rate prior to 2011 to
23 the 7% corporate income tax rate after 2010) of the net revenue
24 realized from the tax imposed by subsections (a) and (b) of
25 Section 201 of this Act upon corporations during the preceding
26 month. Beginning February 1, 2015 and continuing through July

1 31, 2017, the Treasurer shall transfer each month from the
2 General Revenue Fund to the Local Government Distributive Fund
3 an amount equal to the sum of (i) 8% (10% of the ratio of the 3%
4 individual income tax rate prior to 2011 to the 3.75%
5 individual income tax rate after 2014) of the net revenue
6 realized from the tax imposed by subsections (a) and (b) of
7 Section 201 of this Act upon individuals, trusts, and estates
8 during the preceding month and (ii) 9.14% (10% of the ratio of
9 the 4.8% corporate income tax rate prior to 2011 to the 5.25%
10 corporate income tax rate after 2014) of the net revenue
11 realized from the tax imposed by subsections (a) and (b) of
12 Section 201 of this Act upon corporations during the preceding
13 month. Beginning August 1, 2017, the Treasurer shall transfer
14 each month from the General Revenue Fund to the Local
15 Government Distributive Fund an amount equal to the sum of (i)
16 6.06% (10% of the ratio of the 3% individual income tax rate
17 prior to 2011 to the 4.95% individual income tax rate after
18 July 1, 2017) of the net revenue realized from the tax imposed
19 by subsections (a) and (b) of Section 201 of this Act upon
20 individuals, trusts, and estates during the preceding month and
21 (ii) 6.85% (10% of the ratio of the 4.8% corporate income tax
22 rate prior to 2011 to the 7% corporate income tax rate after
23 July 1, 2017) of the net revenue realized from the tax imposed
24 by subsections (a) and (b) of Section 201 of this Act upon
25 corporations during the preceding month. Net revenue realized
26 for a month shall be defined as the revenue from the tax

1 imposed by subsections (a) and (b) of Section 201 of this Act
2 which is deposited in the General Revenue Fund, the Education
3 Assistance Fund, the Income Tax Surcharge Local Government
4 Distributive Fund, the Fund for the Advancement of Education,
5 and the Commitment to Human Services Fund during the month
6 minus the amount paid out of the General Revenue Fund in State
7 warrants during that same month as refunds to taxpayers for
8 overpayment of liability under the tax imposed by subsections
9 (a) and (b) of Section 201 of this Act.

10 Notwithstanding any provision of law to the contrary,
11 beginning on July 6, 2017 (the effective date of Public Act
12 100-23) ~~this amendatory Act of the 100th General Assembly,~~
13 those amounts required under this subsection (b) to be
14 transferred by the Treasurer into the Local Government
15 Distributive Fund from the General Revenue Fund shall be
16 directly deposited into the Local Government Distributive Fund
17 as the revenue is realized from the tax imposed by subsections
18 (a) and (b) of Section 201 of this Act.

19 For State fiscal year 2018 only, notwithstanding any
20 provision of law to the contrary, the total amount of revenue
21 and deposits under this Section attributable to revenues
22 realized during State fiscal year 2018 shall be reduced by 10%.

23 (c) Deposits Into Income Tax Refund Fund.

24 (1) Beginning on January 1, 1989 and thereafter, the
25 Department shall deposit a percentage of the amounts
26 collected pursuant to subsections (a) and (b) (1), (2), and

1 (3)~~7~~ of Section 201 of this Act into a fund in the State
2 treasury known as the Income Tax Refund Fund. The
3 Department shall deposit 6% of such amounts during the
4 period beginning January 1, 1989 and ending on June 30,
5 1989. Beginning with State fiscal year 1990 and for each
6 fiscal year thereafter, the percentage deposited into the
7 Income Tax Refund Fund during a fiscal year shall be the
8 Annual Percentage. For fiscal years 1999 through 2001, the
9 Annual Percentage shall be 7.1%. For fiscal year 2003, the
10 Annual Percentage shall be 8%. For fiscal year 2004, the
11 Annual Percentage shall be 11.7%. Upon the effective date
12 of Public Act 93-839 (July 30, 2004) ~~this amendatory Act of~~
13 ~~the 93rd General Assembly~~, the Annual Percentage shall be
14 10% for fiscal year 2005. For fiscal year 2006, the Annual
15 Percentage shall be 9.75%. For fiscal year 2007, the Annual
16 Percentage shall be 9.75%. For fiscal year 2008, the Annual
17 Percentage shall be 7.75%. For fiscal year 2009, the Annual
18 Percentage shall be 9.75%. For fiscal year 2010, the Annual
19 Percentage shall be 9.75%. For fiscal year 2011, the Annual
20 Percentage shall be 8.75%. For fiscal year 2012, the Annual
21 Percentage shall be 8.75%. For fiscal year 2013, the Annual
22 Percentage shall be 9.75%. For fiscal year 2014, the Annual
23 Percentage shall be 9.5%. For fiscal year 2015, the Annual
24 Percentage shall be 10%. For fiscal year 2018, the Annual
25 Percentage shall be 9.8%. For all other fiscal years, the
26 Annual Percentage shall be calculated as a fraction, the

1 numerator of which shall be the amount of refunds approved
2 for payment by the Department during the preceding fiscal
3 year as a result of overpayment of tax liability under
4 subsections (a) and (b) (1), (2), and (3) of Section 201 of
5 this Act plus the amount of such refunds remaining approved
6 but unpaid at the end of the preceding fiscal year, minus
7 the amounts transferred into the Income Tax Refund Fund
8 from the Tobacco Settlement Recovery Fund, and the
9 denominator of which shall be the amounts which will be
10 collected pursuant to subsections (a) and (b) (1), (2), and
11 (3) of Section 201 of this Act during the preceding fiscal
12 year; except that in State fiscal year 2002, the Annual
13 Percentage shall in no event exceed 7.6%. The Director of
14 Revenue shall certify the Annual Percentage to the
15 Comptroller on the last business day of the fiscal year
16 immediately preceding the fiscal year for which it is to be
17 effective.

18 (2) Beginning on January 1, 1989 and thereafter, the
19 Department shall deposit a percentage of the amounts
20 collected pursuant to subsections (a) and (b) (6), (7), and
21 (8), (c) and (d) of Section 201 of this Act into a fund in
22 the State treasury known as the Income Tax Refund Fund. The
23 Department shall deposit 18% of such amounts during the
24 period beginning January 1, 1989 and ending on June 30,
25 1989. Beginning with State fiscal year 1990 and for each
26 fiscal year thereafter, the percentage deposited into the

1 Income Tax Refund Fund during a fiscal year shall be the
2 Annual Percentage. For fiscal years 1999, 2000, and 2001,
3 the Annual Percentage shall be 19%. For fiscal year 2003,
4 the Annual Percentage shall be 27%. For fiscal year 2004,
5 the Annual Percentage shall be 32%. Upon the effective date
6 of Public Act 93-839 (July 30, 2004) ~~this amendatory Act of~~
7 ~~the 93rd General Assembly~~, the Annual Percentage shall be
8 24% for fiscal year 2005. For fiscal year 2006, the Annual
9 Percentage shall be 20%. For fiscal year 2007, the Annual
10 Percentage shall be 17.5%. For fiscal year 2008, the Annual
11 Percentage shall be 15.5%. For fiscal year 2009, the Annual
12 Percentage shall be 17.5%. For fiscal year 2010, the Annual
13 Percentage shall be 17.5%. For fiscal year 2011, the Annual
14 Percentage shall be 17.5%. For fiscal year 2012, the Annual
15 Percentage shall be 17.5%. For fiscal year 2013, the Annual
16 Percentage shall be 14%. For fiscal year 2014, the Annual
17 Percentage shall be 13.4%. For fiscal year 2015, the Annual
18 Percentage shall be 14%. For fiscal year 2018, the Annual
19 Percentage shall be 17.5%. For all other fiscal years, the
20 Annual Percentage shall be calculated as a fraction, the
21 numerator of which shall be the amount of refunds approved
22 for payment by the Department during the preceding fiscal
23 year as a result of overpayment of tax liability under
24 subsections (a) and (b) (6), (7), and (8), (c) and (d) of
25 Section 201 of this Act plus the amount of such refunds
26 remaining approved but unpaid at the end of the preceding

1 fiscal year, and the denominator of which shall be the
2 amounts which will be collected pursuant to subsections (a)
3 and (b) (6), (7), and (8), (c) and (d) of Section 201 of
4 this Act during the preceding fiscal year; except that in
5 State fiscal year 2002, the Annual Percentage shall in no
6 event exceed 23%. The Director of Revenue shall certify the
7 Annual Percentage to the Comptroller on the last business
8 day of the fiscal year immediately preceding the fiscal
9 year for which it is to be effective.

10 (3) The Comptroller shall order transferred and the
11 Treasurer shall transfer from the Tobacco Settlement
12 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000
13 in January, 2001, (ii) \$35,000,000 in January, 2002, and
14 (iii) \$35,000,000 in January, 2003.

15 (d) Expenditures from Income Tax Refund Fund.

16 (1) Beginning January 1, 1989, money in the Income Tax
17 Refund Fund shall be expended exclusively for the purpose
18 of paying refunds resulting from overpayment of tax
19 liability under Section 201 of this Act, for paying rebates
20 under Section 208.1 in the event that the amounts in the
21 Homeowners' Tax Relief Fund are insufficient for that
22 purpose, and for making transfers pursuant to this
23 subsection (d).

24 (2) The Director shall order payment of refunds
25 resulting from overpayment of tax liability under Section
26 201 of this Act from the Income Tax Refund Fund only to the

1 extent that amounts collected pursuant to Section 201 of
2 this Act and transfers pursuant to this subsection (d) and
3 item (3) of subsection (c) have been deposited and retained
4 in the Fund.

5 (3) As soon as possible after the end of each fiscal
6 year, the Director shall order transferred and the State
7 Treasurer and State Comptroller shall transfer from the
8 Income Tax Refund Fund to the Personal Property Tax
9 Replacement Fund an amount, certified by the Director to
10 the Comptroller, equal to the excess of the amount
11 collected pursuant to subsections (c) and (d) of Section
12 201 of this Act deposited into the Income Tax Refund Fund
13 during the fiscal year over the amount of refunds resulting
14 from overpayment of tax liability under subsections (c) and
15 (d) of Section 201 of this Act paid from the Income Tax
16 Refund Fund during the fiscal year.

17 (4) As soon as possible after the end of each fiscal
18 year, the Director shall order transferred and the State
19 Treasurer and State Comptroller shall transfer from the
20 Personal Property Tax Replacement Fund to the Income Tax
21 Refund Fund an amount, certified by the Director to the
22 Comptroller, equal to the excess of the amount of refunds
23 resulting from overpayment of tax liability under
24 subsections (c) and (d) of Section 201 of this Act paid
25 from the Income Tax Refund Fund during the fiscal year over
26 the amount collected pursuant to subsections (c) and (d) of

1 Section 201 of this Act deposited into the Income Tax
2 Refund Fund during the fiscal year.

3 (4.5) As soon as possible after the end of fiscal year
4 1999 and of each fiscal year thereafter, the Director shall
5 order transferred and the State Treasurer and State
6 Comptroller shall transfer from the Income Tax Refund Fund
7 to the General Revenue Fund any surplus remaining in the
8 Income Tax Refund Fund as of the end of such fiscal year;
9 excluding for fiscal years 2000, 2001, and 2002 amounts
10 attributable to transfers under item (3) of subsection (c)
11 less refunds resulting from the earned income tax credit.

12 (5) This Act shall constitute an irrevocable and
13 continuing appropriation from the Income Tax Refund Fund
14 for the purpose of paying refunds upon the order of the
15 Director in accordance with the provisions of this Section.

16 (e) Deposits into the Education Assistance Fund and the
17 Income Tax Surcharge Local Government Distributive Fund. On
18 July 1, 1991, and thereafter, of the amounts collected pursuant
19 to subsections (a) and (b) of Section 201 of this Act, minus
20 deposits into the Income Tax Refund Fund, the Department shall
21 deposit 7.3% into the Education Assistance Fund in the State
22 Treasury. Beginning July 1, 1991, and continuing through
23 January 31, 1993, of the amounts collected pursuant to
24 subsections (a) and (b) of Section 201 of the Illinois Income
25 Tax Act, minus deposits into the Income Tax Refund Fund, the
26 Department shall deposit 3.0% into the Income Tax Surcharge

1 Local Government Distributive Fund in the State Treasury.
2 Beginning February 1, 1993 and continuing through June 30,
3 1993, of the amounts collected pursuant to subsections (a) and
4 (b) of Section 201 of the Illinois Income Tax Act, minus
5 deposits into the Income Tax Refund Fund, the Department shall
6 deposit 4.4% into the Income Tax Surcharge Local Government
7 Distributive Fund in the State Treasury. Beginning July 1,
8 1993, and continuing through June 30, 1994, of the amounts
9 collected under subsections (a) and (b) of Section 201 of this
10 Act, minus deposits into the Income Tax Refund Fund, the
11 Department shall deposit 1.475% into the Income Tax Surcharge
12 Local Government Distributive Fund in the State Treasury.

13 (f) Deposits into the Fund for the Advancement of
14 Education. Beginning February 1, 2015, the Department shall
15 deposit the following portions of the revenue realized from the
16 tax imposed upon individuals, trusts, and estates by
17 subsections (a) and (b) of Section 201 of this Act during the
18 preceding month, minus deposits into the Income Tax Refund
19 Fund, into the Fund for the Advancement of Education:

20 (1) beginning February 1, 2015, and prior to February
21 1, 2025, 1/30; and

22 (2) beginning February 1, 2025, 1/26.

23 If the rate of tax imposed by subsection (a) and (b) of
24 Section 201 is reduced pursuant to Section 201.5 of this Act,
25 the Department shall not make the deposits required by this
26 subsection (f) on or after the effective date of the reduction.

1 (g) Deposits into the Commitment to Human Services Fund.
2 Beginning February 1, 2015, the Department shall deposit the
3 following portions of the revenue realized from the tax imposed
4 upon individuals, trusts, and estates by subsections (a) and
5 (b) of Section 201 of this Act ~~during the preceding month,~~
6 minus deposits into the Income Tax Refund Fund, into the
7 Commitment to Human Services Fund:

8 (1) beginning February 1, 2015, and prior to February
9 1, 2025, 1/30; and

10 (2) beginning February 1, 2025, 1/26.

11 If the rate of tax imposed by subsection (a) and (b) of
12 Section 201 is reduced pursuant to Section 201.5 of this Act,
13 the Department shall not make the deposits required by this
14 subsection (g) on or after the effective date of the reduction.

15 (h) Deposits into the Tax Compliance and Administration
16 Fund. Beginning on the first day of the first calendar month to
17 occur on or after August 26, 2014 (the effective date of Public
18 Act 98-1098), each month the Department shall pay into the Tax
19 Compliance and Administration Fund, to be used, subject to
20 appropriation, to fund additional auditors and compliance
21 personnel at the Department, an amount equal to 1/12 of 5% of
22 the cash receipts collected during the preceding fiscal year by
23 the Audit Bureau of the Department from the tax imposed by
24 subsections (a), (b), (c), and (d) of Section 201 of this Act,
25 net of deposits into the Income Tax Refund Fund made from those
26 cash receipts.

1 (Source: P.A. 99-78, eff. 7-20-15; 100-22, eff. 7-6-17; 100-23,
2 eff. 7-6-17; revised 8-3-17.)

3 Section 30. The Use Tax Act is amended by changing Sections
4 3-5, 3-5.5, 9, 10 as follows:

5 (35 ILCS 105/3-5)

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

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

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

18 (3) Personal property purchased by a not-for-profit arts or
19 cultural organization that establishes, by proof required by
20 the Department by rule, that it has received an exemption under
21 Section 501(c)(3) of the Internal Revenue Code and that is
22 organized and operated primarily for the presentation or
23 support of arts or cultural programming, activities, or
24 services. These organizations include, but are not limited to,

1 music and dramatic arts organizations such as symphony
2 orchestras and theatrical groups, arts and cultural service
3 organizations, local arts councils, visual arts organizations,
4 and media arts organizations. On and after July 1, 2001 (the
5 effective date of Public Act 92-35) ~~this amendatory Act of the~~
6 ~~92nd General Assembly~~, however, an entity otherwise eligible
7 for this exemption shall not make tax-free purchases unless it
8 has an active identification number issued by the Department.

9 (4) Personal property purchased by a governmental body, by
10 a corporation, society, association, foundation, or
11 institution organized and operated exclusively for charitable,
12 religious, or educational purposes, or by a not-for-profit
13 corporation, society, association, foundation, institution, or
14 organization that has no compensated officers or employees and
15 that is organized and operated primarily for the recreation of
16 persons 55 years of age or older. A limited liability company
17 may qualify for the exemption under this paragraph only if the
18 limited liability company is organized and operated
19 exclusively for educational purposes. On and after July 1,
20 1987, however, no entity otherwise eligible for this exemption
21 shall make tax-free purchases unless it has an active exemption
22 identification number issued by the Department.

23 (5) Until July 1, 2003, a passenger car that is a
24 replacement vehicle to the extent that the purchase price of
25 the car is subject to the Replacement Vehicle Tax.

26 (6) Until July 1, 2003 and beginning again on September 1,

1 2004 through August 30, 2014, graphic arts machinery and
2 equipment, including repair and replacement parts, both new and
3 used, and including that manufactured on special order,
4 certified by the purchaser to be used primarily for graphic
5 arts production, and including machinery and equipment
6 purchased for lease. Equipment includes chemicals or chemicals
7 acting as catalysts but only if the chemicals or chemicals
8 acting as catalysts effect a direct and immediate change upon a
9 graphic arts product. Beginning on July 1, 2017, graphic arts
10 machinery and equipment is included in the manufacturing and
11 assembling machinery and equipment exemption under paragraph
12 (18).

13 (7) Farm chemicals.

14 (8) Legal tender, currency, medallions, or gold or silver
15 coinage issued by the State of Illinois, the government of the
16 United States of America, or the government of any foreign
17 country, and bullion.

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

21 (10) A motor vehicle that is used for automobile renting,
22 as defined in the Automobile Renting Occupation and Use Tax
23 Act.

24 (11) Farm machinery and equipment, both new and used,
25 including that manufactured on special order, certified by the
26 purchaser to be used primarily for production agriculture or

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

17 Farm machinery and equipment shall include precision
18 farming equipment that is installed or purchased to be
19 installed on farm machinery and equipment including, but not
20 limited to, tractors, harvesters, sprayers, planters, seeders,
21 or spreaders. Precision farming equipment includes, but is not
22 limited to, soil testing sensors, computers, monitors,
23 software, global positioning and mapping systems, and other
24 such equipment.

25 Farm machinery and equipment also includes computers,
26 sensors, software, and related equipment used primarily in the

1 computer-assisted operation of production agriculture
2 facilities, equipment, and activities such as, but not limited
3 to, the collection, monitoring, and correlation of animal and
4 crop data for the purpose of formulating animal diets and
5 agricultural chemicals. This item (11) is exempt from the
6 provisions of Section 3-90.

7 (12) Until June 30, 2013, fuel and petroleum products sold
8 to or used by an air common carrier, certified by the carrier
9 to be used for consumption, shipment, or storage in the conduct
10 of its business as an air common carrier, for a flight destined
11 for or returning from a location or locations outside the
12 United States without regard to previous or subsequent domestic
13 stopovers.

14 Beginning July 1, 2013, fuel and petroleum products sold to
15 or used by an air carrier, certified by the carrier to be used
16 for consumption, shipment, or storage in the conduct of its
17 business as an air common carrier, for a flight that (i) is
18 engaged in foreign trade or is engaged in trade between the
19 United States and any of its possessions and (ii) transports at
20 least one individual or package for hire from the city of
21 origination to the city of final destination on the same
22 aircraft, without regard to a change in the flight number of
23 that aircraft.

24 (13) Proceeds of mandatory service charges separately
25 stated on customers' bills for the purchase and consumption of
26 food and beverages purchased at retail from a retailer, to the

1 extent that the proceeds of the service charge are in fact
2 turned over as tips or as a substitute for tips to the
3 employees who participate directly in preparing, serving,
4 hosting or cleaning up the food or beverage function with
5 respect to which the service charge is imposed.

6 (14) Until July 1, 2003, oil field exploration, drilling,
7 and production equipment, including (i) rigs and parts of rigs,
8 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
9 tubular goods, including casing and drill strings, (iii) pumps
10 and pump-jack units, (iv) storage tanks and flow lines, (v) any
11 individual replacement part for oil field exploration,
12 drilling, and production equipment, and (vi) machinery and
13 equipment purchased for lease; but excluding motor vehicles
14 required to be registered under the Illinois Vehicle Code.

15 (15) Photoprocessing machinery and equipment, including
16 repair and replacement parts, both new and used, including that
17 manufactured on special order, certified by the purchaser to be
18 used primarily for photoprocessing, and including
19 photoprocessing machinery and equipment purchased for lease.

20 (16) Coal and aggregate exploration, mining, off-highway
21 hauling, processing, maintenance, and reclamation equipment,
22 including replacement parts and equipment, and including
23 equipment purchased for lease, but excluding motor vehicles
24 required to be registered under the Illinois Vehicle Code. The
25 changes made to this Section by Public Act 97-767 apply on and
26 after July 1, 2003, but no claim for credit or refund is

1 allowed on or after August 16, 2013 (the effective date of
2 Public Act 98-456) for such taxes paid during the period
3 beginning July 1, 2003 and ending on August 16, 2013 (the
4 effective date of Public Act 98-456).

5 (17) Until July 1, 2003, distillation machinery and
6 equipment, sold as a unit or kit, assembled or installed by the
7 retailer, certified by the user to be used only for the
8 production of ethyl alcohol that will be used for consumption
9 as motor fuel or as a component of motor fuel for the personal
10 use of the user, and not subject to sale or resale.

11 (18) Manufacturing and assembling machinery and equipment
12 used primarily in the process of manufacturing or assembling
13 tangible personal property for wholesale or retail sale or
14 lease, whether that sale or lease is made directly by the
15 manufacturer or by some other person, whether the materials
16 used in the process are owned by the manufacturer or some other
17 person, or whether that sale or lease is made apart from or as
18 an incident to the seller's engaging in the service occupation
19 of producing machines, tools, dies, jigs, patterns, gauges, or
20 other similar items of no commercial value on special order for
21 a particular purchaser. The exemption provided by this
22 paragraph (18) does not include machinery and equipment used in
23 (i) the generation of electricity for wholesale or retail sale;
24 (ii) the generation or treatment of natural or artificial gas
25 for wholesale or retail sale that is delivered to customers
26 through pipes, pipelines, or mains; or (iii) the treatment of

1 water for wholesale or retail sale that is delivered to
2 customers through pipes, pipelines, or mains. The provisions of
3 Public Act 98-583 are declaratory of existing law as to the
4 meaning and scope of this exemption. Beginning on July 1, 2017,
5 the exemption provided by this paragraph (18) includes, but is
6 not limited to, graphic arts machinery and equipment, as
7 defined in paragraph (6) of this Section.

8 (19) Personal property delivered to a purchaser or
9 purchaser's donee inside Illinois when the purchase order for
10 that personal property was received by a florist located
11 outside Illinois who has a florist located inside Illinois
12 deliver the personal property.

13 (20) Semen used for artificial insemination of livestock
14 for direct agricultural production.

15 (21) Horses, or interests in horses, registered with and
16 meeting the requirements of any of the Arabian Horse Club
17 Registry of America, Appaloosa Horse Club, American Quarter
18 Horse Association, United States Trotting Association, or
19 Jockey Club, as appropriate, used for purposes of breeding or
20 racing for prizes. This item (21) is exempt from the provisions
21 of Section 3-90, and the exemption provided for under this item
22 (21) applies for all periods beginning May 30, 1995, but no
23 claim for credit or refund is allowed on or after January 1,
24 2008 for such taxes paid during the period beginning May 30,
25 2000 and ending on January 1, 2008.

26 (22) Computers and communications equipment utilized for

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

23 (23) Personal property purchased by a lessor who leases the
24 property, under a lease of one year or longer executed or in
25 effect at the time the lessor would otherwise be subject to the
26 tax imposed by this Act, to a governmental body that has been

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

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

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

13 (26) Beginning July 1, 1999, game or game birds purchased
14 at a "game breeding and hunting preserve area" as that term is
15 used in the Wildlife Code. This paragraph is exempt from the
16 provisions of Section 3-90.

17 (27) A motor vehicle, as that term is defined in Section
18 1-146 of the Illinois Vehicle Code, that is donated to a
19 corporation, limited liability company, society, association,
20 foundation, or institution that is determined by the Department
21 to be organized and operated exclusively for educational
22 purposes. For purposes of this exemption, "a corporation,
23 limited liability company, society, association, foundation,
24 or institution organized and operated exclusively for
25 educational purposes" means all tax-supported public schools,
26 private schools that offer systematic instruction in useful

1 branches of learning by methods common to public schools and
2 that compare favorably in their scope and intensity with the
3 course of study presented in tax-supported schools, and
4 vocational or technical schools or institutes organized and
5 operated exclusively to provide a course of study of not less
6 than 6 weeks duration and designed to prepare individuals to
7 follow a trade or to pursue a manual, technical, mechanical,
8 industrial, business, or commercial occupation.

9 (28) Beginning January 1, 2000, personal property,
10 including food, purchased through fundraising events for the
11 benefit of a public or private elementary or secondary school,
12 a group of those schools, or one or more school districts if
13 the events are sponsored by an entity recognized by the school
14 district that consists primarily of volunteers and includes
15 parents and teachers of the school children. This paragraph
16 does not apply to fundraising events (i) for the benefit of
17 private home instruction or (ii) for which the fundraising
18 entity purchases the personal property sold at the events from
19 another individual or entity that sold the property for the
20 purpose of resale by the fundraising entity and that profits
21 from the sale to the fundraising entity. This paragraph is
22 exempt from the provisions of Section 3-90.

23 (29) Beginning January 1, 2000 and through December 31,
24 2001, new or used automatic vending machines that prepare and
25 serve hot food and beverages, including coffee, soup, and other
26 items, and replacement parts for these machines. Beginning

1 January 1, 2002 and through June 30, 2003, machines and parts
2 for machines used in commercial, coin-operated amusement and
3 vending business if a use or occupation tax is paid on the
4 gross receipts derived from the use of the commercial,
5 coin-operated amusement and vending machines. This paragraph
6 is exempt from the provisions of Section 3-90.

7 (30) Beginning January 1, 2001 and through June 30, 2016,
8 food for human consumption that is to be consumed off the
9 premises where it is sold (other than alcoholic beverages, soft
10 drinks, and food that has been prepared for immediate
11 consumption) and prescription and nonprescription medicines,
12 drugs, medical appliances, and insulin, urine testing
13 materials, syringes, and needles used by diabetics, for human
14 use, when purchased for use by a person receiving medical
15 assistance under Article V of the Illinois Public Aid Code who
16 resides in a licensed long-term care facility, as defined in
17 the Nursing Home Care Act, or in a licensed facility as defined
18 in the ID/DD Community Care Act, the MC/DD Act, or the
19 Specialized Mental Health Rehabilitation Act of 2013.

20 (31) Beginning on August 2, 2001 (the effective date of
21 Public Act 92-227) ~~this amendatory Act of the 92nd General~~
22 ~~Assembly~~, computers and communications equipment utilized for
23 any hospital purpose and equipment used in the diagnosis,
24 analysis, or treatment of hospital patients purchased by a
25 lessor who leases the equipment, under a lease of one year or
26 longer executed or in effect at the time the lessor would

1 otherwise be subject to the tax imposed by this Act, to a
2 hospital that has been issued an active tax exemption
3 identification number by the Department under Section 1g of the
4 Retailers' Occupation Tax Act. If the equipment is leased in a
5 manner that does not qualify for this exemption or is used in
6 any other nonexempt manner, the lessor shall be liable for the
7 tax imposed under this Act or the Service Use Tax Act, as the
8 case may be, based on the fair market value of the property at
9 the time the nonqualifying use occurs. No lessor shall collect
10 or attempt to collect an amount (however designated) that
11 purports to reimburse that lessor for the tax imposed by this
12 Act or the Service Use Tax Act, as the case may be, if the tax
13 has not been paid by the lessor. If a lessor improperly
14 collects any such amount from the lessee, the lessee shall have
15 a legal right to claim a refund of that amount from the lessor.
16 If, however, that amount is not refunded to the lessee for any
17 reason, the lessor is liable to pay that amount to the
18 Department. This paragraph is exempt from the provisions of
19 Section 3-90.

20 (32) Beginning on August 2, 2001 (the effective date of
21 Public Act 92-227) ~~this amendatory Act of the 92nd General~~
22 ~~Assembly~~, personal property purchased by a lessor who leases
23 the property, under a lease of one year or longer executed or
24 in effect at the time the lessor would otherwise be subject to
25 the tax imposed by this Act, to a governmental body that has
26 been issued an active sales tax exemption identification number

1 by the Department under Section 1g of the Retailers' Occupation
2 Tax Act. If the property is leased in a manner that does not
3 qualify for this exemption or used in any other nonexempt
4 manner, the lessor shall be liable for the tax imposed under
5 this Act or the Service Use Tax Act, as the case may be, based
6 on the fair market value of the property at the time the
7 nonqualifying use occurs. No lessor shall collect or attempt to
8 collect an amount (however designated) that purports to
9 reimburse that lessor for the tax imposed by this Act or the
10 Service Use Tax Act, as the case may be, if the tax has not been
11 paid by the lessor. If a lessor improperly collects any such
12 amount from the lessee, the lessee shall have a legal right to
13 claim a refund of that amount from the lessor. If, however,
14 that amount is not refunded to the lessee for any reason, the
15 lessor is liable to pay that amount to the Department. This
16 paragraph is exempt from the provisions of Section 3-90.

17 (33) On and after July 1, 2003 and through June 30, 2004,
18 the use in this State of motor vehicles of the second division
19 with a gross vehicle weight in excess of 8,000 pounds and that
20 are subject to the commercial distribution fee imposed under
21 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July
22 1, 2004 and through June 30, 2005, the use in this State of
23 motor vehicles of the second division: (i) with a gross vehicle
24 weight rating in excess of 8,000 pounds; (ii) that are subject
25 to the commercial distribution fee imposed under Section
26 3-815.1 of the Illinois Vehicle Code; and (iii) that are

1 primarily used for commercial purposes. Through June 30, 2005,
2 this exemption applies to repair and replacement parts added
3 after the initial purchase of such a motor vehicle if that
4 motor vehicle is used in a manner that would qualify for the
5 rolling stock exemption otherwise provided for in this Act. For
6 purposes of this paragraph, the term "used for commercial
7 purposes" means the transportation of persons or property in
8 furtherance of any commercial or industrial enterprise,
9 whether for-hire or not.

10 (34) Beginning January 1, 2008, tangible personal property
11 used in the construction or maintenance of a community water
12 supply, as defined under Section 3.145 of the Environmental
13 Protection Act, that is operated by a not-for-profit
14 corporation that holds a valid water supply permit issued under
15 Title IV of the Environmental Protection Act. This paragraph is
16 exempt from the provisions of Section 3-90.

17 (35) Beginning January 1, 2010, materials, parts,
18 equipment, components, and furnishings incorporated into or
19 upon an aircraft as part of the modification, refurbishment,
20 completion, replacement, repair, or maintenance of the
21 aircraft. This exemption includes consumable supplies used in
22 the modification, refurbishment, completion, replacement,
23 repair, and maintenance of aircraft, but excludes any
24 materials, parts, equipment, components, and consumable
25 supplies used in the modification, replacement, repair, and
26 maintenance of aircraft engines or power plants, whether such

1 engines or power plants are installed or uninstalled upon any
2 such aircraft. "Consumable supplies" include, but are not
3 limited to, adhesive, tape, sandpaper, general purpose
4 lubricants, cleaning solution, latex gloves, and protective
5 films. This exemption applies only to the use of qualifying
6 tangible personal property by persons who modify, refurbish,
7 complete, repair, replace, or maintain aircraft and who (i)
8 hold an Air Agency Certificate and are empowered to operate an
9 approved repair station by the Federal Aviation
10 Administration, (ii) have a Class IV Rating, and (iii) conduct
11 operations in accordance with Part 145 of the Federal Aviation
12 Regulations. The exemption does not include aircraft operated
13 by a commercial air carrier providing scheduled passenger air
14 service pursuant to authority issued under Part 121 or Part 129
15 of the Federal Aviation Regulations. The changes made to this
16 paragraph (35) by Public Act 98-534 are declarative of existing
17 law.

18 (36) Tangible personal property purchased by a
19 public-facilities corporation, as described in Section
20 11-65-10 of the Illinois Municipal Code, for purposes of
21 constructing or furnishing a municipal convention hall, but
22 only if the legal title to the municipal convention hall is
23 transferred to the municipality without any further
24 consideration by or on behalf of the municipality at the time
25 of the completion of the municipal convention hall or upon the
26 retirement or redemption of any bonds or other debt instruments

1 issued by the public-facilities corporation in connection with
2 the development of the municipal convention hall. This
3 exemption includes existing public-facilities corporations as
4 provided in Section 11-65-25 of the Illinois Municipal Code.
5 This paragraph is exempt from the provisions of Section 3-90.

6 (37) Beginning January 1, 2017, menstrual pads, tampons,
7 and menstrual cups.

8 (38) Merchandise that is subject to the Rental Purchase
9 Agreement Occupation and Use Tax. The purchaser must certify
10 that the item is purchased to be rented subject to a rental
11 purchase agreement, as defined in the Rental Purchase Agreement
12 Act, and provide proof of registration under the Rental
13 Purchase Agreement Occupation and Use Tax Act. This paragraph
14 is exempt from the provisions of Section 3-90.

15 (39) Tangible personal property purchased by a purchaser
16 who is exempt from the tax imposed by this Act by operation of
17 federal law. This paragraph is exempt from the provisions of
18 Section 3-90.

19 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
20 100-22, eff. 7-6-17; 100-437, eff. 1-1-18; revised 9-27-17.)

21 (35 ILCS 105/3-5.5)

22 Sec. 3-5.5. Food and drugs sold by not-for-profit
23 organizations; exemption. The Department shall not collect the
24 1% tax imposed under this Act ~~on food for human consumption~~
25 ~~that is to be consumed off the premises where it is sold (other~~

1 ~~than alcoholic beverages, soft drinks, and food that has been~~
2 ~~prepared for immediate consumption) and prescription and~~
3 ~~nonprescription medicines, drugs, medical appliances, and~~
4 ~~insulin, urine testing materials, syringes, and needles used by~~
5 ~~diabetics, for human use~~ from any not-for-profit organization,
6 that sells food in a food distribution program at a price below
7 the retail cost of the food to purchasers who, as a condition
8 of participation in the program, are required to perform
9 community service, located in a county or municipality that
10 notifies the Department, in writing, that the county or
11 municipality does not want the tax to be collected from any of
12 such organizations located in the county or municipality.

13 (Source: P.A. 88-374.)

14 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

15 (Text of Section before amendment by P.A. 100-363)

16 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
17 and trailers that are required to be registered with an agency
18 of this State, each retailer required or authorized to collect
19 the tax imposed by this Act shall pay to the Department the
20 amount of such tax (except as otherwise provided) at the time
21 when he is required to file his return for the period during
22 which such tax was collected, less a discount of 2.1% prior to
23 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
24 per calendar year, whichever is greater, which is allowed to
25 reimburse the retailer for expenses incurred in collecting the

1 tax, keeping records, preparing and filing returns, remitting
2 the tax and supplying data to the Department on request. In the
3 case of retailers who report and pay the tax on a transaction
4 by transaction basis, as provided in this Section, such
5 discount shall be taken with each such tax remittance instead
6 of when such retailer files his periodic return. The discount
7 allowed under this Section is allowed only for returns that are
8 filed in the manner required by this Act. The Department may
9 disallow the discount for retailers whose certificate of
10 registration is revoked at the time the return is filed, but
11 only if the Department's decision to revoke the certificate of
12 registration has become final. A retailer need not remit that
13 part of any tax collected by him to the extent that he is
14 required to remit and does remit the tax imposed by the
15 Retailers' Occupation Tax Act, with respect to the sale of the
16 same property.

17 Where such tangible personal property is sold under a
18 conditional sales contract, or under any other form of sale
19 wherein the payment of the principal sum, or a part thereof, is
20 extended beyond the close of the period for which the return is
21 filed, the retailer, in collecting the tax (except as to motor
22 vehicles, watercraft, aircraft, and trailers that are required
23 to be registered with an agency of this State), may collect for
24 each tax return period, only the tax applicable to that part of
25 the selling price actually received during such tax return
26 period.

1 Except as provided in this Section, on or before the
2 twentieth day of each calendar month, such retailer shall file
3 a return for the preceding calendar month. Such return shall be
4 filed on forms prescribed by the Department and shall furnish
5 such information as the Department may reasonably require. On
6 and after January 1, 2018, except for returns for motor
7 vehicles, watercraft, aircraft, and trailers that are required
8 to be registered with an agency of this State, with respect to
9 retailers whose annual gross receipts average \$20,000 or more,
10 all returns required to be filed pursuant to this Act shall be
11 filed electronically. Retailers who demonstrate that they do
12 not have access to the Internet or demonstrate hardship in
13 filing electronically may petition the Department to waive the
14 electronic filing requirement.

15 The Department may require returns to be filed on a
16 quarterly basis. If so required, a return for each calendar
17 quarter shall be filed on or before the twentieth day of the
18 calendar month following the end of such calendar quarter. The
19 taxpayer shall also file a return with the Department for each
20 of the first two months of each calendar quarter, on or before
21 the twentieth day of the following calendar month, stating:

22 1. The name of the seller;

23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;

26 3. The total amount of taxable receipts received by him

1 during the preceding calendar month from sales of tangible
2 personal property by him during such preceding calendar
3 month, including receipts from charge and time sales, but
4 less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of this
6 Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the Department
10 may require.

11 If a taxpayer fails to sign a return within 30 days after
12 the proper notice and demand for signature by the Department,
13 the return shall be considered valid and any amount shown to be
14 due on the return shall be deemed assessed.

15 Beginning October 1, 1993, a taxpayer who has an average
16 monthly tax liability of \$150,000 or more shall make all
17 payments required by rules of the Department by electronic
18 funds transfer. Beginning October 1, 1994, a taxpayer who has
19 an average monthly tax liability of \$100,000 or more shall make
20 all payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1995, a taxpayer who has
22 an average monthly tax liability of \$50,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 2000, a taxpayer who has
25 an annual tax liability of \$200,000 or more shall make all
26 payments required by rules of the Department by electronic

1 funds transfer. The term "annual tax liability" shall be the
2 sum of the taxpayer's liabilities under this Act, and under all
3 other State and local occupation and use tax laws administered
4 by the Department, for the immediately preceding calendar year.
5 The term "average monthly tax liability" means the sum of the
6 taxpayer's liabilities under this Act, and under all other
7 State and local occupation and use tax laws administered by the
8 Department, for the immediately preceding calendar year
9 divided by 12. Beginning on October 1, 2002, a taxpayer who has
10 a tax liability in the amount set forth in subsection (b) of
11 Section 2505-210 of the Department of Revenue Law shall make
12 all payments required by rules of the Department by electronic
13 funds transfer.

14 Before August 1 of each year beginning in 1993, the
15 Department shall notify all taxpayers required to make payments
16 by electronic funds transfer. All taxpayers required to make
17 payments by electronic funds transfer shall make those payments
18 for a minimum of one year beginning on October 1.

19 Any taxpayer not required to make payments by electronic
20 funds transfer may make payments by electronic funds transfer
21 with the permission of the Department.

22 All taxpayers required to make payment by electronic funds
23 transfer and any taxpayers authorized to voluntarily make
24 payments by electronic funds transfer shall make those payments
25 in the manner authorized by the Department.

26 The Department shall adopt such rules as are necessary to

1 effectuate a program of electronic funds transfer and the
2 requirements of this Section.

3 Before October 1, 2000, if the taxpayer's average monthly
4 tax liability to the Department under this Act, the Retailers'
5 Occupation Tax Act, the Service Occupation Tax Act, the Service
6 Use Tax Act was \$10,000 or more during the preceding 4 complete
7 calendar quarters, he shall file a return with the Department
8 each month by the 20th day of the month next following the
9 month during which such tax liability is incurred and shall
10 make payments to the Department on or before the 7th, 15th,
11 22nd and last day of the month during which such liability is
12 incurred. On and after October 1, 2000, if the taxpayer's
13 average monthly tax liability to the Department under this Act,
14 the Retailers' Occupation Tax Act, the Service Occupation Tax
15 Act, and the Service Use Tax Act was \$20,000 or more during the
16 preceding 4 complete calendar quarters, he shall file a return
17 with the Department each month by the 20th day of the month
18 next following the month during which such tax liability is
19 incurred and shall make payment to the Department on or before
20 the 7th, 15th, 22nd and last day of the month during which such
21 liability is incurred. If the month during which such tax
22 liability is incurred began prior to January 1, 1985, each
23 payment shall be in an amount equal to 1/4 of the taxpayer's
24 actual liability for the month or an amount set by the
25 Department not to exceed 1/4 of the average monthly liability
26 of the taxpayer to the Department for the preceding 4 complete

1 calendar quarters (excluding the month of highest liability and
2 the month of lowest liability in such 4 quarter period). If the
3 month during which such tax liability is incurred begins on or
4 after January 1, 1985, and prior to January 1, 1987, each
5 payment shall be in an amount equal to 22.5% of the taxpayer's
6 actual liability for the month or 27.5% of the taxpayer's
7 liability for the same calendar month of the preceding year. If
8 the month during which such tax liability is incurred begins on
9 or after January 1, 1987, and prior to January 1, 1988, each
10 payment shall be in an amount equal to 22.5% of the taxpayer's
11 actual liability for the month or 26.25% of the taxpayer's
12 liability for the same calendar month of the preceding year. If
13 the month during which such tax liability is incurred begins on
14 or after January 1, 1988, and prior to January 1, 1989, or
15 begins on or after January 1, 1996, each payment shall be in an
16 amount equal to 22.5% of the taxpayer's actual liability for
17 the month or 25% of the taxpayer's liability for the same
18 calendar month of the preceding year. If the month during which
19 such tax liability is incurred begins on or after January 1,
20 1989, and prior to January 1, 1996, each payment shall be in an
21 amount equal to 22.5% of the taxpayer's actual liability for
22 the month or 25% of the taxpayer's liability for the same
23 calendar month of the preceding year or 100% of the taxpayer's
24 actual liability for the quarter monthly reporting period. The
25 amount of such quarter monthly payments shall be credited
26 against the final tax liability of the taxpayer's return for

1 that month. Before October 1, 2000, once applicable, the
2 requirement of the making of quarter monthly payments to the
3 Department shall continue until such taxpayer's average
4 monthly liability to the Department during the preceding 4
5 complete calendar quarters (excluding the month of highest
6 liability and the month of lowest liability) is less than
7 \$9,000, or until such taxpayer's average monthly liability to
8 the Department as computed for each calendar quarter of the 4
9 preceding complete calendar quarter period is less than
10 \$10,000. However, if a taxpayer can show the Department that a
11 substantial change in the taxpayer's business has occurred
12 which causes the taxpayer to anticipate that his average
13 monthly tax liability for the reasonably foreseeable future
14 will fall below the \$10,000 threshold stated above, then such
15 taxpayer may petition the Department for change in such
16 taxpayer's reporting status. On and after October 1, 2000, once
17 applicable, the requirement of the making of quarter monthly
18 payments to the Department shall continue until such taxpayer's
19 average monthly liability to the Department during the
20 preceding 4 complete calendar quarters (excluding the month of
21 highest liability and the month of lowest liability) is less
22 than \$19,000 or until such taxpayer's average monthly liability
23 to the Department as computed for each calendar quarter of the
24 4 preceding complete calendar quarter period is less than
25 \$20,000. However, if a taxpayer can show the Department that a
26 substantial change in the taxpayer's business has occurred

1 which causes the taxpayer to anticipate that his average
2 monthly tax liability for the reasonably foreseeable future
3 will fall below the \$20,000 threshold stated above, then such
4 taxpayer may petition the Department for a change in such
5 taxpayer's reporting status. The Department shall change such
6 taxpayer's reporting status unless it finds that such change is
7 seasonal in nature and not likely to be long term. If any such
8 quarter monthly payment is not paid at the time or in the
9 amount required by this Section, then the taxpayer shall be
10 liable for penalties and interest on the difference between the
11 minimum amount due and the amount of such quarter monthly
12 payment actually and timely paid, except insofar as the
13 taxpayer has previously made payments for that month to the
14 Department in excess of the minimum payments previously due as
15 provided in this Section. The Department shall make reasonable
16 rules and regulations to govern the quarter monthly payment
17 amount and quarter monthly payment dates for taxpayers who file
18 on other than a calendar monthly basis.

19 If any such payment provided for in this Section exceeds
20 the taxpayer's liabilities under this Act, the Retailers'
21 Occupation Tax Act, the Service Occupation Tax Act and the
22 Service Use Tax Act, as shown by an original monthly return,
23 the Department shall issue to the taxpayer a credit memorandum
24 no later than 30 days after the date of payment, which
25 memorandum may be submitted by the taxpayer to the Department
26 in payment of tax liability subsequently to be remitted by the

1 taxpayer to the Department or be assigned by the taxpayer to a
2 similar taxpayer under this Act, the Retailers' Occupation Tax
3 Act, the Service Occupation Tax Act or the Service Use Tax Act,
4 in accordance with reasonable rules and regulations to be
5 prescribed by the Department, except that if such excess
6 payment is shown on an original monthly return and is made
7 after December 31, 1986, no credit memorandum shall be issued,
8 unless requested by the taxpayer. If no such request is made,
9 the taxpayer may credit such excess payment against tax
10 liability subsequently to be remitted by the taxpayer to the
11 Department under this Act, the Retailers' Occupation Tax Act,
12 the Service Occupation Tax Act or the Service Use Tax Act, in
13 accordance with reasonable rules and regulations prescribed by
14 the Department. If the Department subsequently determines that
15 all or any part of the credit taken was not actually due to the
16 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
17 be reduced by 2.1% or 1.75% of the difference between the
18 credit taken and that actually due, and the taxpayer shall be
19 liable for penalties and interest on such difference.

20 If the retailer is otherwise required to file a monthly
21 return and if the retailer's average monthly tax liability to
22 the Department does not exceed \$200, the Department may
23 authorize his returns to be filed on a quarter annual basis,
24 with the return for January, February, and March of a given
25 year being due by April 20 of such year; with the return for
26 April, May and June of a given year being due by July 20 of such

1 year; with the return for July, August and September of a given
2 year being due by October 20 of such year, and with the return
3 for October, November and December of a given year being due by
4 January 20 of the following year.

5 If the retailer is otherwise required to file a monthly or
6 quarterly return and if the retailer's average monthly tax
7 liability to the Department does not exceed \$50, the Department
8 may authorize his returns to be filed on an annual basis, with
9 the return for a given year being due by January 20 of the
10 following year.

11 Such quarter annual and annual returns, as to form and
12 substance, shall be subject to the same requirements as monthly
13 returns.

14 Notwithstanding any other provision in this Act concerning
15 the time within which a retailer may file his return, in the
16 case of any retailer who ceases to engage in a kind of business
17 which makes him responsible for filing returns under this Act,
18 such retailer shall file a final return under this Act with the
19 Department not more than one month after discontinuing such
20 business.

21 In addition, with respect to motor vehicles, watercraft,
22 aircraft, and trailers that are required to be registered with
23 an agency of this State, except as otherwise provided in this
24 Section, every retailer selling this kind of tangible personal
25 property shall file, with the Department, upon a form to be
26 prescribed and supplied by the Department, a separate return

1 for each such item of tangible personal property which the
2 retailer sells, except that if, in the same transaction, (i) a
3 retailer of aircraft, watercraft, motor vehicles or trailers
4 transfers more than one aircraft, watercraft, motor vehicle or
5 trailer to another aircraft, watercraft, motor vehicle or
6 trailer retailer for the purpose of resale or (ii) a retailer
7 of aircraft, watercraft, motor vehicles, or trailers transfers
8 more than one aircraft, watercraft, motor vehicle, or trailer
9 to a purchaser for use as a qualifying rolling stock as
10 provided in Section 3-55 of this Act, then that seller may
11 report the transfer of all the aircraft, watercraft, motor
12 vehicles or trailers involved in that transaction to the
13 Department on the same uniform invoice-transaction reporting
14 return form. For purposes of this Section, "watercraft" means a
15 Class 2, Class 3, or Class 4 watercraft as defined in Section
16 3-2 of the Boat Registration and Safety Act, a personal
17 watercraft, or any boat equipped with an inboard motor.

18 In addition, with respect to motor vehicles, watercraft,
19 aircraft, and trailers that are required to be registered with
20 an agency of this State, every person who is engaged in the
21 business of leasing or renting such items and who, in
22 connection with such business, sells any such item to a
23 retailer for the purpose of resale is, notwithstanding any
24 other provision of this Section to the contrary, authorized to
25 meet the return-filing requirement of this Act by reporting the
26 transfer of all the aircraft, watercraft, motor vehicles, or

1 trailers transferred for resale during a month to the
2 Department on the same uniform invoice-transaction reporting
3 return form on or before the 20th of the month following the
4 month in which the transfer takes place. Notwithstanding any
5 other provision of this Act to the contrary, all returns filed
6 under this paragraph must be filed by electronic means in the
7 manner and form as required by the Department.

8 The transaction reporting return in the case of motor
9 vehicles or trailers that are required to be registered with an
10 agency of this State, shall be the same document as the Uniform
11 Invoice referred to in Section 5-402 of the Illinois Vehicle
12 Code and must show the name and address of the seller; the name
13 and address of the purchaser; the amount of the selling price
14 including the amount allowed by the retailer for traded-in
15 property, if any; the amount allowed by the retailer for the
16 traded-in tangible personal property, if any, to the extent to
17 which Section 2 of this Act allows an exemption for the value
18 of traded-in property; the balance payable after deducting such
19 trade-in allowance from the total selling price; the amount of
20 tax due from the retailer with respect to such transaction; the
21 amount of tax collected from the purchaser by the retailer on
22 such transaction (or satisfactory evidence that such tax is not
23 due in that particular instance, if that is claimed to be the
24 fact); the place and date of the sale; a sufficient
25 identification of the property sold; such other information as
26 is required in Section 5-402 of the Illinois Vehicle Code, and

1 such other information as the Department may reasonably
2 require.

3 The transaction reporting return in the case of watercraft
4 and aircraft must show the name and address of the seller; the
5 name and address of the purchaser; the amount of the selling
6 price including the amount allowed by the retailer for
7 traded-in property, if any; the amount allowed by the retailer
8 for the traded-in tangible personal property, if any, to the
9 extent to which Section 2 of this Act allows an exemption for
10 the value of traded-in property; the balance payable after
11 deducting such trade-in allowance from the total selling price;
12 the amount of tax due from the retailer with respect to such
13 transaction; the amount of tax collected from the purchaser by
14 the retailer on such transaction (or satisfactory evidence that
15 such tax is not due in that particular instance, if that is
16 claimed to be the fact); the place and date of the sale, a
17 sufficient identification of the property sold, and such other
18 information as the Department may reasonably require.

19 Such transaction reporting return shall be filed not later
20 than 20 days after the date of delivery of the item that is
21 being sold, but may be filed by the retailer at any time sooner
22 than that if he chooses to do so. The transaction reporting
23 return and tax remittance or proof of exemption from the tax
24 that is imposed by this Act may be transmitted to the
25 Department by way of the State agency with which, or State
26 officer with whom, the tangible personal property must be

1 titled or registered (if titling or registration is required)
2 if the Department and such agency or State officer determine
3 that this procedure will expedite the processing of
4 applications for title or registration.

5 With each such transaction reporting return, the retailer
6 shall remit the proper amount of tax due (or shall submit
7 satisfactory evidence that the sale is not taxable if that is
8 the case), to the Department or its agents, whereupon the
9 Department shall issue, in the purchaser's name, a tax receipt
10 (or a certificate of exemption if the Department is satisfied
11 that the particular sale is tax exempt) which such purchaser
12 may submit to the agency with which, or State officer with
13 whom, he must title or register the tangible personal property
14 that is involved (if titling or registration is required) in
15 support of such purchaser's application for an Illinois
16 certificate or other evidence of title or registration to such
17 tangible personal property.

18 No retailer's failure or refusal to remit tax under this
19 Act precludes a user, who has paid the proper tax to the
20 retailer, from obtaining his certificate of title or other
21 evidence of title or registration (if titling or registration
22 is required) upon satisfying the Department that such user has
23 paid the proper tax (if tax is due) to the retailer. The
24 Department shall adopt appropriate rules to carry out the
25 mandate of this paragraph.

26 If the user who would otherwise pay tax to the retailer

1 wants the transaction reporting return filed and the payment of
2 tax or proof of exemption made to the Department before the
3 retailer is willing to take these actions and such user has not
4 paid the tax to the retailer, such user may certify to the fact
5 of such delay by the retailer, and may (upon the Department
6 being satisfied of the truth of such certification) transmit
7 the information required by the transaction reporting return
8 and the remittance for tax or proof of exemption directly to
9 the Department and obtain his tax receipt or exemption
10 determination, in which event the transaction reporting return
11 and tax remittance (if a tax payment was required) shall be
12 credited by the Department to the proper retailer's account
13 with the Department, but without the 2.1% or 1.75% discount
14 provided for in this Section being allowed. When the user pays
15 the tax directly to the Department, he shall pay the tax in the
16 same amount and in the same form in which it would be remitted
17 if the tax had been remitted to the Department by the retailer.

18 Where a retailer collects the tax with respect to the
19 selling price of tangible personal property which he sells and
20 the purchaser thereafter returns such tangible personal
21 property and the retailer refunds the selling price thereof to
22 the purchaser, such retailer shall also refund, to the
23 purchaser, the tax so collected from the purchaser. When filing
24 his return for the period in which he refunds such tax to the
25 purchaser, the retailer may deduct the amount of the tax so
26 refunded by him to the purchaser from any other use tax which

1 such retailer may be required to pay or remit to the
2 Department, as shown by such return, if the amount of the tax
3 to be deducted was previously remitted to the Department by
4 such retailer. If the retailer has not previously remitted the
5 amount of such tax to the Department, he is entitled to no
6 deduction under this Act upon refunding such tax to the
7 purchaser.

8 Any retailer filing a return under this Section shall also
9 include (for the purpose of paying tax thereon) the total tax
10 covered by such return upon the selling price of tangible
11 personal property purchased by him at retail from a retailer,
12 but as to which the tax imposed by this Act was not collected
13 from the retailer filing such return, and such retailer shall
14 remit the amount of such tax to the Department when filing such
15 return.

16 If experience indicates such action to be practicable, the
17 Department may prescribe and furnish a combination or joint
18 return which will enable retailers, who are required to file
19 returns hereunder and also under the Retailers' Occupation Tax
20 Act, to furnish all the return information required by both
21 Acts on the one form.

22 Where the retailer has more than one business registered
23 with the Department under separate registration under this Act,
24 such retailer may not file each return that is due as a single
25 return covering all such registered businesses, but shall file
26 separate returns for each such registered business.

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund, a special
3 fund in the State Treasury which is hereby created, the net
4 revenue realized for the preceding month from the 1% tax
5 imposed under this Act ~~on sales of food for human consumption~~
6 ~~which is to be consumed off the premises where it is sold~~
7 ~~(other than alcoholic beverages, soft drinks and food which has~~
8 ~~been prepared for immediate consumption) and prescription and~~
9 ~~nonprescription medicines, drugs, medical appliances, products~~
10 ~~classified as Class III medical devices by the United States~~
11 ~~Food and Drug Administration that are used for cancer treatment~~
12 ~~pursuant to a prescription, as well as any accessories and~~
13 ~~components related to those devices, and insulin, urine testing~~
14 ~~materials, syringes and needles used by diabetics.~~

15 Beginning January 1, 1990, each month the Department shall
16 pay into the County and Mass Transit District Fund 4% of the
17 net revenue realized for the preceding month from the 6.25%
18 general rate on the selling price of tangible personal property
19 which is purchased outside Illinois at retail from a retailer
20 and which is titled or registered by an agency of this State's
21 government.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund, a special
24 fund in the State Treasury, 20% of the net revenue realized for
25 the preceding month from the 6.25% general rate on the selling
26 price of tangible personal property, other than tangible

1 personal property which is purchased outside Illinois at retail
2 from a retailer and which is titled or registered by an agency
3 of this State's government.

4 Beginning August 1, 2000, each month the Department shall
5 pay into the State and Local Sales Tax Reform Fund 100% of the
6 net revenue realized for the preceding month from the 1.25%
7 rate on the selling price of motor fuel and gasohol. Beginning
8 September 1, 2010, each month the Department shall pay into the
9 State and Local Sales Tax Reform Fund 100% of the net revenue
10 realized for the preceding month from the 1.25% rate on the
11 selling price of sales tax holiday items.

12 Beginning January 1, 1990, each month the Department shall
13 pay into the Local Government Tax Fund 16% of the net revenue
14 realized for the preceding month from the 6.25% general rate on
15 the selling price of tangible personal property which is
16 purchased outside Illinois at retail from a retailer and which
17 is titled or registered by an agency of this State's
18 government.

19 Beginning October 1, 2009, each month the Department shall
20 pay into the Capital Projects Fund an amount that is equal to
21 an amount estimated by the Department to represent 80% of the
22 net revenue realized for the preceding month from the sale of
23 candy, grooming and hygiene products, and soft drinks that had
24 been taxed at a rate of 1% prior to September 1, 2009 but that
25 are now taxed at 6.25%.

26 Beginning July 1, 2011, each month the Department shall pay

1 into the Clean Air Act Permit Fund 80% of the net revenue
2 realized for the preceding month from the 6.25% general rate on
3 the selling price of sorbents used in Illinois in the process
4 of sorbent injection as used to comply with the Environmental
5 Protection Act or the federal Clean Air Act, but the total
6 payment into the Clean Air Act Permit Fund under this Act and
7 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
8 in any fiscal year.

9 Beginning July 1, 2013, each month the Department shall pay
10 into the Underground Storage Tank Fund from the proceeds
11 collected under this Act, the Service Use Tax Act, the Service
12 Occupation Tax Act, and the Retailers' Occupation Tax Act an
13 amount equal to the average monthly deficit in the Underground
14 Storage Tank Fund during the prior year, as certified annually
15 by the Illinois Environmental Protection Agency, but the total
16 payment into the Underground Storage Tank Fund under this Act,
17 the Service Use Tax Act, the Service Occupation Tax Act, and
18 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
19 in any State fiscal year. As used in this paragraph, the
20 "average monthly deficit" shall be equal to the difference
21 between the average monthly claims for payment by the fund and
22 the average monthly revenues deposited into the fund, excluding
23 payments made pursuant to this paragraph.

24 Beginning July 1, 2015, of the remainder of the moneys
25 received by the Department under this Act, the Service Use Tax
26 Act, the Service Occupation Tax Act, and the Retailers'

1 Occupation Tax Act, each month the Department shall deposit
2 \$500,000 into the State Crime Laboratory Fund.

3 Of the remainder of the moneys received by the Department
4 pursuant to this Act, (a) 1.75% thereof shall be paid into the
5 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
6 and after July 1, 1989, 3.8% thereof shall be paid into the
7 Build Illinois Fund; provided, however, that if in any fiscal
8 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
9 may be, of the moneys received by the Department and required
10 to be paid into the Build Illinois Fund pursuant to Section 3
11 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
12 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
13 Service Occupation Tax Act, such Acts being hereinafter called
14 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
15 may be, of moneys being hereinafter called the "Tax Act
16 Amount", and (2) the amount transferred to the Build Illinois
17 Fund from the State and Local Sales Tax Reform Fund shall be
18 less than the Annual Specified Amount (as defined in Section 3
19 of the Retailers' Occupation Tax Act), an amount equal to the
20 difference shall be immediately paid into the Build Illinois
21 Fund from other moneys received by the Department pursuant to
22 the Tax Acts; and further provided, that if on the last
23 business day of any month the sum of (1) the Tax Act Amount
24 required to be deposited into the Build Illinois Bond Account
25 in the Build Illinois Fund during such month and (2) the amount
26 transferred during such month to the Build Illinois Fund from

1 the State and Local Sales Tax Reform Fund shall have been less
2 than 1/12 of the Annual Specified Amount, an amount equal to
3 the difference shall be immediately paid into the Build
4 Illinois Fund from other moneys received by the Department
5 pursuant to the Tax Acts; and, further provided, that in no
6 event shall the payments required under the preceding proviso
7 result in aggregate payments into the Build Illinois Fund
8 pursuant to this clause (b) for any fiscal year in excess of
9 the greater of (i) the Tax Act Amount or (ii) the Annual
10 Specified Amount for such fiscal year; and, further provided,
11 that the amounts payable into the Build Illinois Fund under
12 this clause (b) shall be payable only until such time as the
13 aggregate amount on deposit under each trust indenture securing
14 Bonds issued and outstanding pursuant to the Build Illinois
15 Bond Act is sufficient, taking into account any future
16 investment income, to fully provide, in accordance with such
17 indenture, for the defeasance of or the payment of the
18 principal of, premium, if any, and interest on the Bonds
19 secured by such indenture and on any Bonds expected to be
20 issued thereafter and all fees and costs payable with respect
21 thereto, all as certified by the Director of the Bureau of the
22 Budget (now Governor's Office of Management and Budget). If on
23 the last business day of any month in which Bonds are
24 outstanding pursuant to the Build Illinois Bond Act, the
25 aggregate of the moneys deposited in the Build Illinois Bond
26 Account in the Build Illinois Fund in such month shall be less

1 than the amount required to be transferred in such month from
2 the Build Illinois Bond Account to the Build Illinois Bond
3 Retirement and Interest Fund pursuant to Section 13 of the
4 Build Illinois Bond Act, an amount equal to such deficiency
5 shall be immediately paid from other moneys received by the
6 Department pursuant to the Tax Acts to the Build Illinois Fund;
7 provided, however, that any amounts paid to the Build Illinois
8 Fund in any fiscal year pursuant to this sentence shall be
9 deemed to constitute payments pursuant to clause (b) of the
10 preceding sentence and shall reduce the amount otherwise
11 payable for such fiscal year pursuant to clause (b) of the
12 preceding sentence. The moneys received by the Department
13 pursuant to this Act and required to be deposited into the
14 Build Illinois Fund are subject to the pledge, claim and charge
15 set forth in Section 12 of the Build Illinois Bond Act.

16 Subject to payment of amounts into the Build Illinois Fund
17 as provided in the preceding paragraph or in any amendment
18 thereto hereafter enacted, the following specified monthly
19 installment of the amount requested in the certificate of the
20 Chairman of the Metropolitan Pier and Exposition Authority
21 provided under Section 8.25f of the State Finance Act, but not
22 in excess of the sums designated as "Total Deposit", shall be
23 deposited in the aggregate from collections under Section 9 of
24 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
25 9 of the Service Occupation Tax Act, and Section 3 of the
26 Retailers' Occupation Tax Act into the McCormick Place

1 Expansion Project Fund in the specified fiscal years.

2	Fiscal Year	Total Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000
26	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	246,000,000
6	2022	260,000,000
7	2023	275,000,000
8	2024	275,000,000
9	2025	275,000,000
10	2026	279,000,000
11	2027	292,000,000
12	2028	307,000,000
13	2029	322,000,000
14	2030	338,000,000
15	2031	350,000,000
16	2032	350,000,000

17 and
18 each fiscal year
19 thereafter that bonds
20 are outstanding under
21 Section 13.2 of the
22 Metropolitan Pier and
23 Exposition Authority Act,
24 but not after fiscal year 2060.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the

1 certificate of the Chairman of the Metropolitan Pier and
2 Exposition Authority for that fiscal year, less the amount
3 deposited into the McCormick Place Expansion Project Fund by
4 the State Treasurer in the respective month under subsection
5 (g) of Section 13 of the Metropolitan Pier and Exposition
6 Authority Act, plus cumulative deficiencies in the deposits
7 required under this Section for previous months and years,
8 shall be deposited into the McCormick Place Expansion Project
9 Fund, until the full amount requested for the fiscal year, but
10 not in excess of the amount specified above as "Total Deposit",
11 has been deposited.

12 Subject to payment of amounts into the Build Illinois Fund
13 and the McCormick Place Expansion Project Fund pursuant to the
14 preceding paragraphs or in any amendments thereto hereafter
15 enacted, beginning July 1, 1993 and ending on September 30,
16 2013, the Department shall each month pay into the Illinois Tax
17 Increment Fund 0.27% of 80% of the net revenue realized for the
18 preceding month from the 6.25% general rate on the selling
19 price of tangible personal property.

20 Subject to payment of amounts into the Build Illinois Fund
21 and the McCormick Place Expansion Project Fund pursuant to the
22 preceding paragraphs or in any amendments thereto hereafter
23 enacted, beginning with the receipt of the first report of
24 taxes paid by an eligible business and continuing for a 25-year
25 period, the Department shall each month pay into the Energy
26 Infrastructure Fund 80% of the net revenue realized from the

1 6.25% general rate on the selling price of Illinois-mined coal
2 that was sold to an eligible business. For purposes of this
3 paragraph, the term "eligible business" means a new electric
4 generating facility certified pursuant to Section 605-332 of
5 the Department of Commerce and Economic Opportunity Law of the
6 Civil Administrative Code of Illinois.

7 Subject to payment of amounts into the Build Illinois Fund,
8 the McCormick Place Expansion Project Fund, the Illinois Tax
9 Increment Fund, and the Energy Infrastructure Fund pursuant to
10 the preceding paragraphs or in any amendments to this Section
11 hereafter enacted, beginning on the first day of the first
12 calendar month to occur on or after August 26, 2014 (the
13 effective date of Public Act 98-1098), each month, from the
14 collections made under Section 9 of the Use Tax Act, Section 9
15 of the Service Use Tax Act, Section 9 of the Service Occupation
16 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
17 the Department shall pay into the Tax Compliance and
18 Administration Fund, to be used, subject to appropriation, to
19 fund additional auditors and compliance personnel at the
20 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
21 the cash receipts collected during the preceding fiscal year by
22 the Audit Bureau of the Department under the Use Tax Act, the
23 Service Use Tax Act, the Service Occupation Tax Act, the
24 Retailers' Occupation Tax Act, and associated local occupation
25 and use taxes administered by the Department.

26 Of the remainder of the moneys received by the Department

1 pursuant to this Act, 75% thereof shall be paid into the State
2 Treasury and 25% shall be reserved in a special account and
3 used only for the transfer to the Common School Fund as part of
4 the monthly transfer from the General Revenue Fund in
5 accordance with Section 8a of the State Finance Act.

6 As soon as possible after the first day of each month, upon
7 certification of the Department of Revenue, the Comptroller
8 shall order transferred and the Treasurer shall transfer from
9 the General Revenue Fund to the Motor Fuel Tax Fund an amount
10 equal to 1.7% of 80% of the net revenue realized under this Act
11 for the second preceding month. Beginning April 1, 2000, this
12 transfer is no longer required and shall not be made.

13 Net revenue realized for a month shall be the revenue
14 collected by the State pursuant to this Act, less the amount
15 paid out during that month as refunds to taxpayers for
16 overpayment of liability.

17 For greater simplicity of administration, manufacturers,
18 importers and wholesalers whose products are sold at retail in
19 Illinois by numerous retailers, and who wish to do so, may
20 assume the responsibility for accounting and paying to the
21 Department all tax accruing under this Act with respect to such
22 sales, if the retailers who are affected do not make written
23 objection to the Department to this arrangement.

24 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
25 99-933, eff. 1-27-17; 100-303, eff. 8-24-17.)

1 (Text of Section after amendment by P.A. 100-363)

2 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
3 and trailers that are required to be registered with an agency
4 of this State, each retailer required or authorized to collect
5 the tax imposed by this Act shall pay to the Department the
6 amount of such tax (except as otherwise provided) at the time
7 when he is required to file his return for the period during
8 which such tax was collected, less a discount of 2.1% prior to
9 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
10 per calendar year, whichever is greater, which is allowed to
11 reimburse the retailer for expenses incurred in collecting the
12 tax, keeping records, preparing and filing returns, remitting
13 the tax and supplying data to the Department on request. In the
14 case of retailers who report and pay the tax on a transaction
15 by transaction basis, as provided in this Section, such
16 discount shall be taken with each such tax remittance instead
17 of when such retailer files his periodic return. The discount
18 allowed under this Section is allowed only for returns that are
19 filed in the manner required by this Act. The Department may
20 disallow the discount for retailers whose certificate of
21 registration is revoked at the time the return is filed, but
22 only if the Department's decision to revoke the certificate of
23 registration has become final. A retailer need not remit that
24 part of any tax collected by him to the extent that he is
25 required to remit and does remit the tax imposed by the
26 Retailers' Occupation Tax Act, with respect to the sale of the

1 same property.

2 Where such tangible personal property is sold under a
3 conditional sales contract, or under any other form of sale
4 wherein the payment of the principal sum, or a part thereof, is
5 extended beyond the close of the period for which the return is
6 filed, the retailer, in collecting the tax (except as to motor
7 vehicles, watercraft, aircraft, and trailers that are required
8 to be registered with an agency of this State), may collect for
9 each tax return period, only the tax applicable to that part of
10 the selling price actually received during such tax return
11 period.

12 Except as provided in this Section, on or before the
13 twentieth day of each calendar month, such retailer shall file
14 a return for the preceding calendar month. Such return shall be
15 filed on forms prescribed by the Department and shall furnish
16 such information as the Department may reasonably require. On
17 and after January 1, 2018, except for returns for motor
18 vehicles, watercraft, aircraft, and trailers that are required
19 to be registered with an agency of this State, with respect to
20 retailers whose annual gross receipts average \$20,000 or more,
21 all returns required to be filed pursuant to this Act shall be
22 filed electronically. Retailers who demonstrate that they do
23 not have access to the Internet or demonstrate hardship in
24 filing electronically may petition the Department to waive the
25 electronic filing requirement.

26 The Department may require returns to be filed on a

1 quarterly basis. If so required, a return for each calendar
2 quarter shall be filed on or before the twentieth day of the
3 calendar month following the end of such calendar quarter. The
4 taxpayer shall also file a return with the Department for each
5 of the first two months of each calendar quarter, on or before
6 the twentieth day of the following calendar month, stating:

7 1. The name of the seller;

8 2. The address of the principal place of business from
9 which he engages in the business of selling tangible
10 personal property at retail in this State;

11 3. The total amount of taxable receipts received by him
12 during the preceding calendar month from sales of tangible
13 personal property by him during such preceding calendar
14 month, including receipts from charge and time sales, but
15 less all deductions allowed by law;

16 4. The amount of credit provided in Section 2d of this
17 Act;

18 5. The amount of tax due;

19 5-5. The signature of the taxpayer; and

20 6. Such other reasonable information as the Department
21 may require.

22 If a taxpayer fails to sign a return within 30 days after
23 the proper notice and demand for signature by the Department,
24 the return shall be considered valid and any amount shown to be
25 due on the return shall be deemed assessed.

26 Beginning October 1, 1993, a taxpayer who has an average

1 monthly tax liability of \$150,000 or more shall make all
2 payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 1994, a taxpayer who has
4 an average monthly tax liability of \$100,000 or more shall make
5 all payments required by rules of the Department by electronic
6 funds transfer. Beginning October 1, 1995, a taxpayer who has
7 an average monthly tax liability of \$50,000 or more shall make
8 all payments required by rules of the Department by electronic
9 funds transfer. Beginning October 1, 2000, a taxpayer who has
10 an annual tax liability of \$200,000 or more shall make all
11 payments required by rules of the Department by electronic
12 funds transfer. The term "annual tax liability" shall be the
13 sum of the taxpayer's liabilities under this Act, and under all
14 other State and local occupation and use tax laws administered
15 by the Department, for the immediately preceding calendar year.
16 The term "average monthly tax liability" means the sum of the
17 taxpayer's liabilities under this Act, and under all other
18 State and local occupation and use tax laws administered by the
19 Department, for the immediately preceding calendar year
20 divided by 12. Beginning on October 1, 2002, a taxpayer who has
21 a tax liability in the amount set forth in subsection (b) of
22 Section 2505-210 of the Department of Revenue Law shall make
23 all payments required by rules of the Department by electronic
24 funds transfer.

25 Before August 1 of each year beginning in 1993, the
26 Department shall notify all taxpayers required to make payments

1 by electronic funds transfer. All taxpayers required to make
2 payments by electronic funds transfer shall make those payments
3 for a minimum of one year beginning on October 1.

4 Any taxpayer not required to make payments by electronic
5 funds transfer may make payments by electronic funds transfer
6 with the permission of the Department.

7 All taxpayers required to make payment by electronic funds
8 transfer and any taxpayers authorized to voluntarily make
9 payments by electronic funds transfer shall make those payments
10 in the manner authorized by the Department.

11 The Department shall adopt such rules as are necessary to
12 effectuate a program of electronic funds transfer and the
13 requirements of this Section.

14 Before October 1, 2000, if the taxpayer's average monthly
15 tax liability to the Department under this Act, the Retailers'
16 Occupation Tax Act, the Service Occupation Tax Act, the Service
17 Use Tax Act was \$10,000 or more during the preceding 4 complete
18 calendar quarters, he shall file a return with the Department
19 each month by the 20th day of the month next following the
20 month during which such tax liability is incurred and shall
21 make payments to the Department on or before the 7th, 15th,
22 22nd and last day of the month during which such liability is
23 incurred. On and after October 1, 2000, if the taxpayer's
24 average monthly tax liability to the Department under this Act,
25 the Retailers' Occupation Tax Act, the Service Occupation Tax
26 Act, and the Service Use Tax Act was \$20,000 or more during the

1 preceding 4 complete calendar quarters, he shall file a return
2 with the Department each month by the 20th day of the month
3 next following the month during which such tax liability is
4 incurred and shall make payment to the Department on or before
5 the 7th, 15th, 22nd and last day of the month during which such
6 liability is incurred. If the month during which such tax
7 liability is incurred began prior to January 1, 1985, each
8 payment shall be in an amount equal to 1/4 of the taxpayer's
9 actual liability for the month or an amount set by the
10 Department not to exceed 1/4 of the average monthly liability
11 of the taxpayer to the Department for the preceding 4 complete
12 calendar quarters (excluding the month of highest liability and
13 the month of lowest liability in such 4 quarter period). If the
14 month during which such tax liability is incurred begins on or
15 after January 1, 1985, and prior to January 1, 1987, each
16 payment shall be in an amount equal to 22.5% of the taxpayer's
17 actual liability for the month or 27.5% of the taxpayer's
18 liability for the same calendar month of the preceding year. If
19 the month during which such tax liability is incurred begins on
20 or after January 1, 1987, and prior to January 1, 1988, each
21 payment shall be in an amount equal to 22.5% of the taxpayer's
22 actual liability for the month or 26.25% of the taxpayer's
23 liability for the same calendar month of the preceding year. If
24 the month during which such tax liability is incurred begins on
25 or after January 1, 1988, and prior to January 1, 1989, or
26 begins on or after January 1, 1996, each payment shall be in an

1 amount equal to 22.5% of the taxpayer's actual liability for
2 the month or 25% of the taxpayer's liability for the same
3 calendar month of the preceding year. If the month during which
4 such tax liability is incurred begins on or after January 1,
5 1989, and prior to January 1, 1996, each payment shall be in an
6 amount equal to 22.5% of the taxpayer's actual liability for
7 the month or 25% of the taxpayer's liability for the same
8 calendar month of the preceding year or 100% of the taxpayer's
9 actual liability for the quarter monthly reporting period. The
10 amount of such quarter monthly payments shall be credited
11 against the final tax liability of the taxpayer's return for
12 that month. Before October 1, 2000, once applicable, the
13 requirement of the making of quarter monthly payments to the
14 Department shall continue until such taxpayer's average
15 monthly liability to the Department during the preceding 4
16 complete calendar quarters (excluding the month of highest
17 liability and the month of lowest liability) is less than
18 \$9,000, or until such taxpayer's average monthly liability to
19 the Department as computed for each calendar quarter of the 4
20 preceding complete calendar quarter period is less than
21 \$10,000. However, if a taxpayer can show the Department that a
22 substantial change in the taxpayer's business has occurred
23 which causes the taxpayer to anticipate that his average
24 monthly tax liability for the reasonably foreseeable future
25 will fall below the \$10,000 threshold stated above, then such
26 taxpayer may petition the Department for change in such

1 taxpayer's reporting status. On and after October 1, 2000, once
2 applicable, the requirement of the making of quarter monthly
3 payments to the Department shall continue until such taxpayer's
4 average monthly liability to the Department during the
5 preceding 4 complete calendar quarters (excluding the month of
6 highest liability and the month of lowest liability) is less
7 than \$19,000 or until such taxpayer's average monthly liability
8 to the Department as computed for each calendar quarter of the
9 4 preceding complete calendar quarter period is less than
10 \$20,000. However, if a taxpayer can show the Department that a
11 substantial change in the taxpayer's business has occurred
12 which causes the taxpayer to anticipate that his average
13 monthly tax liability for the reasonably foreseeable future
14 will fall below the \$20,000 threshold stated above, then such
15 taxpayer may petition the Department for a change in such
16 taxpayer's reporting status. The Department shall change such
17 taxpayer's reporting status unless it finds that such change is
18 seasonal in nature and not likely to be long term. If any such
19 quarter monthly payment is not paid at the time or in the
20 amount required by this Section, then the taxpayer shall be
21 liable for penalties and interest on the difference between the
22 minimum amount due and the amount of such quarter monthly
23 payment actually and timely paid, except insofar as the
24 taxpayer has previously made payments for that month to the
25 Department in excess of the minimum payments previously due as
26 provided in this Section. The Department shall make reasonable

1 rules and regulations to govern the quarter monthly payment
2 amount and quarter monthly payment dates for taxpayers who file
3 on other than a calendar monthly basis.

4 If any such payment provided for in this Section exceeds
5 the taxpayer's liabilities under this Act, the Retailers'
6 Occupation Tax Act, the Service Occupation Tax Act and the
7 Service Use Tax Act, as shown by an original monthly return,
8 the Department shall issue to the taxpayer a credit memorandum
9 no later than 30 days after the date of payment, which
10 memorandum may be submitted by the taxpayer to the Department
11 in payment of tax liability subsequently to be remitted by the
12 taxpayer to the Department or be assigned by the taxpayer to a
13 similar taxpayer under this Act, the Retailers' Occupation Tax
14 Act, the Service Occupation Tax Act or the Service Use Tax Act,
15 in accordance with reasonable rules and regulations to be
16 prescribed by the Department, except that if such excess
17 payment is shown on an original monthly return and is made
18 after December 31, 1986, no credit memorandum shall be issued,
19 unless requested by the taxpayer. If no such request is made,
20 the taxpayer may credit such excess payment against tax
21 liability subsequently to be remitted by the taxpayer to the
22 Department under this Act, the Retailers' Occupation Tax Act,
23 the Service Occupation Tax Act or the Service Use Tax Act, in
24 accordance with reasonable rules and regulations prescribed by
25 the Department. If the Department subsequently determines that
26 all or any part of the credit taken was not actually due to the

1 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
2 be reduced by 2.1% or 1.75% of the difference between the
3 credit taken and that actually due, and the taxpayer shall be
4 liable for penalties and interest on such difference.

5 If the retailer is otherwise required to file a monthly
6 return and if the retailer's average monthly tax liability to
7 the Department does not exceed \$200, the Department may
8 authorize his returns to be filed on a quarter annual basis,
9 with the return for January, February, and March of a given
10 year being due by April 20 of such year; with the return for
11 April, May and June of a given year being due by July 20 of such
12 year; with the return for July, August and September of a given
13 year being due by October 20 of such year, and with the return
14 for October, November and December of a given year being due by
15 January 20 of the following year.

16 If the retailer is otherwise required to file a monthly or
17 quarterly return and if the retailer's average monthly tax
18 liability to the Department does not exceed \$50, the Department
19 may authorize his returns to be filed on an annual basis, with
20 the return for a given year being due by January 20 of the
21 following year.

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as monthly
24 returns.

25 Notwithstanding any other provision in this Act concerning
26 the time within which a retailer may file his return, in the

1 case of any retailer who ceases to engage in a kind of business
2 which makes him responsible for filing returns under this Act,
3 such retailer shall file a final return under this Act with the
4 Department not more than one month after discontinuing such
5 business.

6 In addition, with respect to motor vehicles, watercraft,
7 aircraft, and trailers that are required to be registered with
8 an agency of this State, except as otherwise provided in this
9 Section, every retailer selling this kind of tangible personal
10 property shall file, with the Department, upon a form to be
11 prescribed and supplied by the Department, a separate return
12 for each such item of tangible personal property which the
13 retailer sells, except that if, in the same transaction, (i) a
14 retailer of aircraft, watercraft, motor vehicles or trailers
15 transfers more than one aircraft, watercraft, motor vehicle or
16 trailer to another aircraft, watercraft, motor vehicle or
17 trailer retailer for the purpose of resale or (ii) a retailer
18 of aircraft, watercraft, motor vehicles, or trailers transfers
19 more than one aircraft, watercraft, motor vehicle, or trailer
20 to a purchaser for use as a qualifying rolling stock as
21 provided in Section 3-55 of this Act, then that seller may
22 report the transfer of all the aircraft, watercraft, motor
23 vehicles or trailers involved in that transaction to the
24 Department on the same uniform invoice-transaction reporting
25 return form. For purposes of this Section, "watercraft" means a
26 Class 2, Class 3, or Class 4 watercraft as defined in Section

1 3-2 of the Boat Registration and Safety Act, a personal
2 watercraft, or any boat equipped with an inboard motor.

3 In addition, with respect to motor vehicles, watercraft,
4 aircraft, and trailers that are required to be registered with
5 an agency of this State, every person who is engaged in the
6 business of leasing or renting such items and who, in
7 connection with such business, sells any such item to a
8 retailer for the purpose of resale is, notwithstanding any
9 other provision of this Section to the contrary, authorized to
10 meet the return-filing requirement of this Act by reporting the
11 transfer of all the aircraft, watercraft, motor vehicles, or
12 trailers transferred for resale during a month to the
13 Department on the same uniform invoice-transaction reporting
14 return form on or before the 20th of the month following the
15 month in which the transfer takes place. Notwithstanding any
16 other provision of this Act to the contrary, all returns filed
17 under this paragraph must be filed by electronic means in the
18 manner and form as required by the Department.

19 The transaction reporting return in the case of motor
20 vehicles or trailers that are required to be registered with an
21 agency of this State, shall be the same document as the Uniform
22 Invoice referred to in Section 5-402 of the Illinois Vehicle
23 Code and must show the name and address of the seller; the name
24 and address of the purchaser; the amount of the selling price
25 including the amount allowed by the retailer for traded-in
26 property, if any; the amount allowed by the retailer for the

1 traded-in tangible personal property, if any, to the extent to
2 which Section 2 of this Act allows an exemption for the value
3 of traded-in property; the balance payable after deducting such
4 trade-in allowance from the total selling price; the amount of
5 tax due from the retailer with respect to such transaction; the
6 amount of tax collected from the purchaser by the retailer on
7 such transaction (or satisfactory evidence that such tax is not
8 due in that particular instance, if that is claimed to be the
9 fact); the place and date of the sale; a sufficient
10 identification of the property sold; such other information as
11 is required in Section 5-402 of the Illinois Vehicle Code, and
12 such other information as the Department may reasonably
13 require.

14 The transaction reporting return in the case of watercraft
15 and aircraft must show the name and address of the seller; the
16 name and address of the purchaser; the amount of the selling
17 price including the amount allowed by the retailer for
18 traded-in property, if any; the amount allowed by the retailer
19 for the traded-in tangible personal property, if any, to the
20 extent to which Section 2 of this Act allows an exemption for
21 the value of traded-in property; the balance payable after
22 deducting such trade-in allowance from the total selling price;
23 the amount of tax due from the retailer with respect to such
24 transaction; the amount of tax collected from the purchaser by
25 the retailer on such transaction (or satisfactory evidence that
26 such tax is not due in that particular instance, if that is

1 claimed to be the fact); the place and date of the sale, a
2 sufficient identification of the property sold, and such other
3 information as the Department may reasonably require.

4 Such transaction reporting return shall be filed not later
5 than 20 days after the date of delivery of the item that is
6 being sold, but may be filed by the retailer at any time sooner
7 than that if he chooses to do so. The transaction reporting
8 return and tax remittance or proof of exemption from the tax
9 that is imposed by this Act may be transmitted to the
10 Department by way of the State agency with which, or State
11 officer with whom, the tangible personal property must be
12 titled or registered (if titling or registration is required)
13 if the Department and such agency or State officer determine
14 that this procedure will expedite the processing of
15 applications for title or registration.

16 With each such transaction reporting return, the retailer
17 shall remit the proper amount of tax due (or shall submit
18 satisfactory evidence that the sale is not taxable if that is
19 the case), to the Department or its agents, whereupon the
20 Department shall issue, in the purchaser's name, a tax receipt
21 (or a certificate of exemption if the Department is satisfied
22 that the particular sale is tax exempt) which such purchaser
23 may submit to the agency with which, or State officer with
24 whom, he must title or register the tangible personal property
25 that is involved (if titling or registration is required) in
26 support of such purchaser's application for an Illinois

1 certificate or other evidence of title or registration to such
2 tangible personal property.

3 No retailer's failure or refusal to remit tax under this
4 Act precludes a user, who has paid the proper tax to the
5 retailer, from obtaining his certificate of title or other
6 evidence of title or registration (if titling or registration
7 is required) upon satisfying the Department that such user has
8 paid the proper tax (if tax is due) to the retailer. The
9 Department shall adopt appropriate rules to carry out the
10 mandate of this paragraph.

11 If the user who would otherwise pay tax to the retailer
12 wants the transaction reporting return filed and the payment of
13 tax or proof of exemption made to the Department before the
14 retailer is willing to take these actions and such user has not
15 paid the tax to the retailer, such user may certify to the fact
16 of such delay by the retailer, and may (upon the Department
17 being satisfied of the truth of such certification) transmit
18 the information required by the transaction reporting return
19 and the remittance for tax or proof of exemption directly to
20 the Department and obtain his tax receipt or exemption
21 determination, in which event the transaction reporting return
22 and tax remittance (if a tax payment was required) shall be
23 credited by the Department to the proper retailer's account
24 with the Department, but without the 2.1% or 1.75% discount
25 provided for in this Section being allowed. When the user pays
26 the tax directly to the Department, he shall pay the tax in the

1 same amount and in the same form in which it would be remitted
2 if the tax had been remitted to the Department by the retailer.

3 Where a retailer collects the tax with respect to the
4 selling price of tangible personal property which he sells and
5 the purchaser thereafter returns such tangible personal
6 property and the retailer refunds the selling price thereof to
7 the purchaser, such retailer shall also refund, to the
8 purchaser, the tax so collected from the purchaser. When filing
9 his return for the period in which he refunds such tax to the
10 purchaser, the retailer may deduct the amount of the tax so
11 refunded by him to the purchaser from any other use tax which
12 such retailer may be required to pay or remit to the
13 Department, as shown by such return, if the amount of the tax
14 to be deducted was previously remitted to the Department by
15 such retailer. If the retailer has not previously remitted the
16 amount of such tax to the Department, he is entitled to no
17 deduction under this Act upon refunding such tax to the
18 purchaser.

19 Any retailer filing a return under this Section shall also
20 include (for the purpose of paying tax thereon) the total tax
21 covered by such return upon the selling price of tangible
22 personal property purchased by him at retail from a retailer,
23 but as to which the tax imposed by this Act was not collected
24 from the retailer filing such return, and such retailer shall
25 remit the amount of such tax to the Department when filing such
26 return.

1 If experience indicates such action to be practicable, the
2 Department may prescribe and furnish a combination or joint
3 return which will enable retailers, who are required to file
4 returns hereunder and also under the Retailers' Occupation Tax
5 Act, to furnish all the return information required by both
6 Acts on the one form.

7 Where the retailer has more than one business registered
8 with the Department under separate registration under this Act,
9 such retailer may not file each return that is due as a single
10 return covering all such registered businesses, but shall file
11 separate returns for each such registered business.

12 Beginning January 1, 1990, each month the Department shall
13 pay into the State and Local Sales Tax Reform Fund, a special
14 fund in the State Treasury which is hereby created, the net
15 revenue realized for the preceding month from the 1% tax
16 imposed under this Act ~~on sales of food for human consumption~~
17 ~~which is to be consumed off the premises where it is sold~~
18 ~~(other than alcoholic beverages, soft drinks and food which has~~
19 ~~been prepared for immediate consumption) and prescription and~~
20 ~~nonprescription medicines, drugs, medical appliances, products~~
21 ~~classified as Class III medical devices by the United States~~
22 ~~Food and Drug Administration that are used for cancer treatment~~
23 ~~pursuant to a prescription, as well as any accessories and~~
24 ~~components related to those devices, and insulin, urine testing~~
25 ~~materials, syringes and needles used by diabetics.~~

26 Beginning January 1, 1990, each month the Department shall

1 pay into the County and Mass Transit District Fund 4% of the
2 net revenue realized for the preceding month from the 6.25%
3 general rate on the selling price of tangible personal property
4 which is purchased outside Illinois at retail from a retailer
5 and which is titled or registered by an agency of this State's
6 government.

7 Beginning January 1, 1990, each month the Department shall
8 pay into the State and Local Sales Tax Reform Fund, a special
9 fund in the State Treasury, 20% of the net revenue realized for
10 the preceding month from the 6.25% general rate on the selling
11 price of tangible personal property, other than tangible
12 personal property which is purchased outside Illinois at retail
13 from a retailer and which is titled or registered by an agency
14 of this State's government.

15 Beginning August 1, 2000, each month the Department shall
16 pay into the State and Local Sales Tax Reform Fund 100% of the
17 net revenue realized for the preceding month from the 1.25%
18 rate on the selling price of motor fuel and gasohol. Beginning
19 September 1, 2010, each month the Department shall pay into the
20 State and Local Sales Tax Reform Fund 100% of the net revenue
21 realized for the preceding month from the 1.25% rate on the
22 selling price of sales tax holiday items.

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund 16% of the net revenue
25 realized for the preceding month from the 6.25% general rate on
26 the selling price of tangible personal property which is

1 purchased outside Illinois at retail from a retailer and which
2 is titled or registered by an agency of this State's
3 government.

4 Beginning October 1, 2009, each month the Department shall
5 pay into the Capital Projects Fund an amount that is equal to
6 an amount estimated by the Department to represent 80% of the
7 net revenue realized for the preceding month from the sale of
8 candy, grooming and hygiene products, and soft drinks that had
9 been taxed at a rate of 1% prior to September 1, 2009 but that
10 are now taxed at 6.25%.

11 Beginning July 1, 2011, each month the Department shall pay
12 into the Clean Air Act Permit Fund 80% of the net revenue
13 realized for the preceding month from the 6.25% general rate on
14 the selling price of sorbents used in Illinois in the process
15 of sorbent injection as used to comply with the Environmental
16 Protection Act or the federal Clean Air Act, but the total
17 payment into the Clean Air Act Permit Fund under this Act and
18 the Retailers' Occupation Tax Act shall not exceed \$2,000,000
19 in any fiscal year.

20 Beginning July 1, 2013, each month the Department shall pay
21 into the Underground Storage Tank Fund from the proceeds
22 collected under this Act, the Service Use Tax Act, the Service
23 Occupation Tax Act, and the Retailers' Occupation Tax Act an
24 amount equal to the average monthly deficit in the Underground
25 Storage Tank Fund during the prior year, as certified annually
26 by the Illinois Environmental Protection Agency, but the total

1 payment into the Underground Storage Tank Fund under this Act,
2 the Service Use Tax Act, the Service Occupation Tax Act, and
3 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
4 in any State fiscal year. As used in this paragraph, the
5 "average monthly deficit" shall be equal to the difference
6 between the average monthly claims for payment by the fund and
7 the average monthly revenues deposited into the fund, excluding
8 payments made pursuant to this paragraph.

9 Beginning July 1, 2015, of the remainder of the moneys
10 received by the Department under this Act, the Service Use Tax
11 Act, the Service Occupation Tax Act, and the Retailers'
12 Occupation Tax Act, each month the Department shall deposit
13 \$500,000 into the State Crime Laboratory Fund.

14 Of the remainder of the moneys received by the Department
15 pursuant to this Act, (a) 1.75% thereof shall be paid into the
16 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
17 and after July 1, 1989, 3.8% thereof shall be paid into the
18 Build Illinois Fund; provided, however, that if in any fiscal
19 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
20 may be, of the moneys received by the Department and required
21 to be paid into the Build Illinois Fund pursuant to Section 3
22 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
23 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
24 Service Occupation Tax Act, such Acts being hereinafter called
25 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
26 may be, of moneys being hereinafter called the "Tax Act

1 Amount", and (2) the amount transferred to the Build Illinois
2 Fund from the State and Local Sales Tax Reform Fund shall be
3 less than the Annual Specified Amount (as defined in Section 3
4 of the Retailers' Occupation Tax Act), an amount equal to the
5 difference shall be immediately paid into the Build Illinois
6 Fund from other moneys received by the Department pursuant to
7 the Tax Acts; and further provided, that if on the last
8 business day of any month the sum of (1) the Tax Act Amount
9 required to be deposited into the Build Illinois Bond Account
10 in the Build Illinois Fund during such month and (2) the amount
11 transferred during such month to the Build Illinois Fund from
12 the State and Local Sales Tax Reform Fund shall have been less
13 than 1/12 of the Annual Specified Amount, an amount equal to
14 the difference shall be immediately paid into the Build
15 Illinois Fund from other moneys received by the Department
16 pursuant to the Tax Acts; and, further provided, that in no
17 event shall the payments required under the preceding proviso
18 result in aggregate payments into the Build Illinois Fund
19 pursuant to this clause (b) for any fiscal year in excess of
20 the greater of (i) the Tax Act Amount or (ii) the Annual
21 Specified Amount for such fiscal year; and, further provided,
22 that the amounts payable into the Build Illinois Fund under
23 this clause (b) shall be payable only until such time as the
24 aggregate amount on deposit under each trust indenture securing
25 Bonds issued and outstanding pursuant to the Build Illinois
26 Bond Act is sufficient, taking into account any future

1 investment income, to fully provide, in accordance with such
2 indenture, for the defeasance of or the payment of the
3 principal of, premium, if any, and interest on the Bonds
4 secured by such indenture and on any Bonds expected to be
5 issued thereafter and all fees and costs payable with respect
6 thereto, all as certified by the Director of the Bureau of the
7 Budget (now Governor's Office of Management and Budget). If on
8 the last business day of any month in which Bonds are
9 outstanding pursuant to the Build Illinois Bond Act, the
10 aggregate of the moneys deposited in the Build Illinois Bond
11 Account in the Build Illinois Fund in such month shall be less
12 than the amount required to be transferred in such month from
13 the Build Illinois Bond Account to the Build Illinois Bond
14 Retirement and Interest Fund pursuant to Section 13 of the
15 Build Illinois Bond Act, an amount equal to such deficiency
16 shall be immediately paid from other moneys received by the
17 Department pursuant to the Tax Acts to the Build Illinois Fund;
18 provided, however, that any amounts paid to the Build Illinois
19 Fund in any fiscal year pursuant to this sentence shall be
20 deemed to constitute payments pursuant to clause (b) of the
21 preceding sentence and shall reduce the amount otherwise
22 payable for such fiscal year pursuant to clause (b) of the
23 preceding sentence. The moneys received by the Department
24 pursuant to this Act and required to be deposited into the
25 Build Illinois Fund are subject to the pledge, claim and charge
26 set forth in Section 12 of the Build Illinois Bond Act.

1 Subject to payment of amounts into the Build Illinois Fund
2 as provided in the preceding paragraph or in any amendment
3 thereto hereafter enacted, the following specified monthly
4 installment of the amount requested in the certificate of the
5 Chairman of the Metropolitan Pier and Exposition Authority
6 provided under Section 8.25f of the State Finance Act, but not
7 in excess of the sums designated as "Total Deposit", shall be
8 deposited in the aggregate from collections under Section 9 of
9 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
10 9 of the Service Occupation Tax Act, and Section 3 of the
11 Retailers' Occupation Tax Act into the McCormick Place
12 Expansion Project Fund in the specified fiscal years.

13	Fiscal Year	Total Deposit
14	1993	\$0
15	1994	53,000,000
16	1995	58,000,000
17	1996	61,000,000
18	1997	64,000,000
19	1998	68,000,000
20	1999	71,000,000
21	2000	75,000,000
22	2001	80,000,000
23	2002	93,000,000
24	2003	99,000,000
25	2004	103,000,000
26	2005	108,000,000

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	246,000,000
17	2022	260,000,000
18	2023	275,000,000
19	2024	275,000,000
20	2025	275,000,000
21	2026	279,000,000
22	2027	292,000,000
23	2028	307,000,000
24	2029	322,000,000
25	2030	338,000,000
26	2031	350,000,000

1 2032 350,000,000
2 and
3 each fiscal year
4 thereafter that bonds
5 are outstanding under
6 Section 13.2 of the
7 Metropolitan Pier and
8 Exposition Authority Act,
9 but not after fiscal year 2060.

10 Beginning July 20, 1993 and in each month of each fiscal
11 year thereafter, one-eighth of the amount requested in the
12 certificate of the Chairman of the Metropolitan Pier and
13 Exposition Authority for that fiscal year, less the amount
14 deposited into the McCormick Place Expansion Project Fund by
15 the State Treasurer in the respective month under subsection
16 (g) of Section 13 of the Metropolitan Pier and Exposition
17 Authority Act, plus cumulative deficiencies in the deposits
18 required under this Section for previous months and years,
19 shall be deposited into the McCormick Place Expansion Project
20 Fund, until the full amount requested for the fiscal year, but
21 not in excess of the amount specified above as "Total Deposit",
22 has been deposited.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois Tax
2 Increment Fund 0.27% of 80% of the net revenue realized for the
3 preceding month from the 6.25% general rate on the selling
4 price of tangible personal property.

5 Subject to payment of amounts into the Build Illinois Fund
6 and the McCormick Place Expansion Project Fund pursuant to the
7 preceding paragraphs or in any amendments thereto hereafter
8 enacted, beginning with the receipt of the first report of
9 taxes paid by an eligible business and continuing for a 25-year
10 period, the Department shall each month pay into the Energy
11 Infrastructure Fund 80% of the net revenue realized from the
12 6.25% general rate on the selling price of Illinois-mined coal
13 that was sold to an eligible business. For purposes of this
14 paragraph, the term "eligible business" means a new electric
15 generating facility certified pursuant to Section 605-332 of
16 the Department of Commerce and Economic Opportunity Law of the
17 Civil Administrative Code of Illinois.

18 Subject to payment of amounts into the Build Illinois Fund,
19 the McCormick Place Expansion Project Fund, the Illinois Tax
20 Increment Fund, and the Energy Infrastructure Fund pursuant to
21 the preceding paragraphs or in any amendments to this Section
22 hereafter enacted, beginning on the first day of the first
23 calendar month to occur on or after August 26, 2014 (the
24 effective date of Public Act 98-1098), each month, from the
25 collections made under Section 9 of the Use Tax Act, Section 9
26 of the Service Use Tax Act, Section 9 of the Service Occupation

1 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
2 the Department shall pay into the Tax Compliance and
3 Administration Fund, to be used, subject to appropriation, to
4 fund additional auditors and compliance personnel at the
5 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
6 the cash receipts collected during the preceding fiscal year by
7 the Audit Bureau of the Department under the Use Tax Act, the
8 Service Use Tax Act, the Service Occupation Tax Act, the
9 Retailers' Occupation Tax Act, and associated local occupation
10 and use taxes administered by the Department.

11 Subject to payments of amounts into the Build Illinois
12 Fund, the McCormick Place Expansion Project Fund, the Illinois
13 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
14 Compliance and Administration Fund as provided in this Section,
15 beginning on July 1, 2018 the Department shall pay each month
16 into the Downstate Public Transportation Fund the moneys
17 required to be so paid under Section 2-3 of the Downstate
18 Public Transportation Act.

19 Of the remainder of the moneys received by the Department
20 pursuant to this Act, 75% thereof shall be paid into the State
21 Treasury and 25% shall be reserved in a special account and
22 used only for the transfer to the Common School Fund as part of
23 the monthly transfer from the General Revenue Fund in
24 accordance with Section 8a of the State Finance Act.

25 As soon as possible after the first day of each month, upon
26 certification of the Department of Revenue, the Comptroller

1 shall order transferred and the Treasurer shall transfer from
2 the General Revenue Fund to the Motor Fuel Tax Fund an amount
3 equal to 1.7% of 80% of the net revenue realized under this Act
4 for the second preceding month. Beginning April 1, 2000, this
5 transfer is no longer required and shall not be made.

6 Net revenue realized for a month shall be the revenue
7 collected by the State pursuant to this Act, less the amount
8 paid out during that month as refunds to taxpayers for
9 overpayment of liability.

10 For greater simplicity of administration, manufacturers,
11 importers and wholesalers whose products are sold at retail in
12 Illinois by numerous retailers, and who wish to do so, may
13 assume the responsibility for accounting and paying to the
14 Department all tax accruing under this Act with respect to such
15 sales, if the retailers who are affected do not make written
16 objection to the Department to this arrangement.

17 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
18 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.
19 7-1-18; revised 10-20-17.)

20 (35 ILCS 105/10) (from Ch. 120, par. 439.10)

21 Sec. 10. Except as to motor vehicles, aircraft, watercraft,
22 and trailers, and except as to cigarettes as defined in the
23 Cigarette Use Tax Act, when tangible personal property is
24 purchased from a retailer for use in this State by a purchaser
25 who did not pay the tax imposed by this Act to the retailer,

1 and who does not file returns with the Department as a retailer
2 under Section 9 of this Act, such purchaser (by the last day of
3 the month following the calendar month in which such purchaser
4 makes any payment upon the selling price of such property)
5 shall, except as otherwise provided in this Section, file a
6 return with the Department and pay the tax upon that portion of
7 the selling price so paid by the purchaser during the preceding
8 calendar month. When tangible personal property, other than
9 motor vehicles and trailers, is purchased by a lessor, under a
10 lease for one year or longer, executed or in effect at the time
11 of purchase to an interstate carrier for hire, who did not pay
12 the tax imposed by this Act to the retailer, such lessor (by
13 the last day of the month following the calendar month in which
14 such property reverts to the use of such lessor) shall file a
15 return with the Department and pay the tax upon the fair market
16 value of such property on the date of such reversion. However,
17 in determining the fair market value at the time of reversion,
18 the fair market value of such property shall not exceed the
19 original purchase price of the property that was paid by the
20 lessor at the time of purchase. Such return shall be filed on a
21 form prescribed by the Department and shall contain such
22 information as the Department may reasonably require. Such
23 return and payment from the purchaser shall be submitted to the
24 Department sooner than the last day of the month after the
25 month in which the purchase is made to the extent that that may
26 be necessary in order to secure the title to a motor vehicle or

1 the certificate of registration for an aircraft. However,
2 except as to motor vehicles and aircraft, and except as to
3 cigarettes as defined in the Cigarette Use Tax Act, if the
4 purchaser's annual use tax liability does not exceed \$600, the
5 purchaser may file the return on an annual basis on or before
6 April 15th of the year following the year use tax liability was
7 incurred. Individual purchasers with an annual use tax
8 liability that does not exceed \$600 may, in lieu of the filing
9 and payment requirements in this Section, file and pay in
10 compliance with Section 502.1 of the Illinois Income Tax Act.

11 If cigarettes, as defined in the Cigarette Use Tax Act, are
12 purchased from a retailer for use in this State by a purchaser
13 who did not pay the tax imposed by this Act to the retailer,
14 and who does not file returns with the Department as a retailer
15 under Section 9 of this Act, such purchaser must, within 30
16 days after acquiring the cigarettes, file a return with the
17 Department and pay the tax upon that portion of the selling
18 price so paid by the purchaser for the cigarettes.

19 In addition with respect to motor vehicles, aircraft,
20 watercraft, and trailers, a purchaser of such tangible personal
21 property for use in this State, who purchases such tangible
22 personal property from an out-of-state retailer, shall file
23 with the Department, upon a form to be prescribed and supplied
24 by the Department, a return for each such item of tangible
25 personal property purchased, except that if, in the same
26 transaction, (i) a purchaser of motor vehicles, aircraft,

1 watercraft, or trailers who is a retailer of motor vehicles,
2 aircraft, watercraft, or trailers purchases more than one motor
3 vehicle, aircraft, watercraft, or trailer for the purpose of
4 resale or (ii) a purchaser of motor vehicles, aircraft,
5 watercraft, or trailers purchases more than one motor vehicle,
6 aircraft, watercraft, or trailer for use as qualifying rolling
7 stock as provided in Section 3-55 of this Act, then the
8 purchaser may report the purchase of all motor vehicles,
9 aircraft, watercraft, or trailers involved in that transaction
10 to the Department on a single return prescribed by the
11 Department. Such return in the case of motor vehicles and
12 aircraft must show the name and address of the seller, the
13 name, address of purchaser, the amount of the selling price
14 including the amount allowed by the retailer for traded in
15 property, if any; the amount allowed by the retailer for the
16 traded-in tangible personal property, if any, to the extent to
17 which Section 2 of this Act allows an exemption for the value
18 of traded-in property; the balance payable after deducting such
19 trade-in allowance from the total selling price; the amount of
20 tax due from the purchaser with respect to such transaction;
21 the amount of tax collected from the purchaser by the retailer
22 on such transaction (or satisfactory evidence that such tax is
23 not due in that particular instance if that is claimed to be
24 the fact); the place and date of the sale, a sufficient
25 identification of the property sold, and such other information
26 as the Department may reasonably require.

1 Such return shall be filed not later than 30 days after
2 such motor vehicle or aircraft is brought into this State for
3 use.

4 For purposes of this Section, "watercraft" means a Class 2,
5 Class 3, or Class 4 watercraft as defined in Section 3-2 of the
6 Boat Registration and Safety Act, a personal watercraft, or any
7 boat equipped with an inboard motor.

8 The return and tax remittance or proof of exemption from
9 the tax that is imposed by this Act may be transmitted to the
10 Department by way of the State agency with which, or State
11 officer with whom, the tangible personal property must be
12 titled or registered (if titling or registration is required)
13 if the Department and such agency or State officer determine
14 that this procedure will expedite the processing of
15 applications for title or registration.

16 With each such return, the purchaser shall remit the proper
17 amount of tax due (or shall submit satisfactory evidence that
18 the sale is not taxable if that is the case), to the Department
19 or its agents, whereupon the Department shall issue, in the
20 purchaser's name, a tax receipt (or a certificate of exemption
21 if the Department is satisfied that the particular sale is tax
22 exempt) which such purchaser may submit to the agency with
23 which, or State officer with whom, he must title or register
24 the tangible personal property that is involved (if titling or
25 registration is required) in support of such purchaser's
26 application for an Illinois certificate or other evidence of

1 title or registration to such tangible personal property.

2 When a purchaser pays a tax imposed by this Act directly to
3 the Department, the Department (upon request therefor from such
4 purchaser) shall issue an appropriate receipt to such purchaser
5 showing that he has paid such tax to the Department. Such
6 receipt shall be sufficient to relieve the purchaser from
7 further liability for the tax to which such receipt may refer.

8 A user who is liable to pay use tax directly to the
9 Department only occasionally and not on a frequently recurring
10 basis, and who is not required to file returns with the
11 Department as a retailer under Section 9 of this Act, or under
12 the "Retailers' Occupation Tax Act", or as a registrant with
13 the Department under the "Service Occupation Tax Act" or the
14 "Service Use Tax Act", need not register with the Department.
15 However, if such a user has a frequently recurring direct use
16 tax liability to pay to the Department, such user shall be
17 required to register with the Department on forms prescribed by
18 the Department and to obtain and display a certificate of
19 registration from the Department. In that event, all of the
20 provisions of Section 9 of this Act concerning the filing of
21 regular monthly, quarterly or annual tax returns and all of the
22 provisions of Section 2a of the "Retailers' Occupation Tax Act"
23 concerning the requirements for registrants to post bond or
24 other security with the Department, as the provisions of such
25 sections now exist or may hereafter be amended, shall apply to
26 such users to the same extent as if such provisions were

1 included herein.

2 (Source: P.A. 100-321, eff. 8-24-17.)

3 Section 35. The Service Use Tax Act is amended by changing
4 Sections 3-5, 3-5.5, and 9 as follows:

5 (35 ILCS 110/3-5)

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

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

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

18 (3) Personal property purchased by a not-for-profit arts or
19 cultural organization that establishes, by proof required by
20 the Department by rule, that it has received an exemption under
21 Section 501(c)(3) of the Internal Revenue Code and that is
22 organized and operated primarily for the presentation or
23 support of arts or cultural programming, activities, or
24 services. These organizations include, but are not limited to,

1 music and dramatic arts organizations such as symphony
2 orchestras and theatrical groups, arts and cultural service
3 organizations, local arts councils, visual arts organizations,
4 and media arts organizations. On and after the effective date
5 of this amendatory Act of the 92nd General Assembly, however,
6 an entity otherwise eligible for this exemption shall not make
7 tax-free purchases unless it has an active identification
8 number issued by the Department.

9 (4) Legal tender, currency, medallions, or gold or silver
10 coinage issued by the State of Illinois, the government of the
11 United States of America, or the government of any foreign
12 country, and bullion.

13 (5) Until July 1, 2003 and beginning again on September 1,
14 2004 through August 30, 2014, graphic arts machinery and
15 equipment, including repair and replacement parts, both new and
16 used, and including that manufactured on special order or
17 purchased for lease, certified by the purchaser to be used
18 primarily for graphic arts production. Equipment includes
19 chemicals or chemicals acting as catalysts but only if the
20 chemicals or chemicals acting as catalysts effect a direct and
21 immediate change upon a graphic arts product. Beginning on July
22 1, 2017, graphic arts machinery and equipment is included in
23 the manufacturing and assembling machinery and equipment
24 exemption under Section 2 of this Act.

25 (6) Personal property purchased from a teacher-sponsored
26 student organization affiliated with an elementary or

1 secondary school located in Illinois.

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

21 Farm machinery and equipment shall include precision
22 farming equipment that is installed or purchased to be
23 installed on farm machinery and equipment including, but not
24 limited to, tractors, harvesters, sprayers, planters, seeders,
25 or spreaders. Precision farming equipment includes, but is not
26 limited to, soil testing sensors, computers, monitors,

1 software, global positioning and mapping systems, and other
2 such equipment.

3 Farm machinery and equipment also includes computers,
4 sensors, software, and related equipment used primarily in the
5 computer-assisted operation of production agriculture
6 facilities, equipment, and activities such as, but not limited
7 to, the collection, monitoring, and correlation of animal and
8 crop data for the purpose of formulating animal diets and
9 agricultural chemicals. This item (7) is exempt from the
10 provisions of Section 3-75.

11 (8) Until June 30, 2013, fuel and petroleum products sold
12 to or used by an air common carrier, certified by the carrier
13 to be used for consumption, shipment, or storage in the conduct
14 of its business as an air common carrier, for a flight destined
15 for or returning from a location or locations outside the
16 United States without regard to previous or subsequent domestic
17 stopovers.

18 Beginning July 1, 2013, fuel and petroleum products sold to
19 or used by an air carrier, certified by the carrier to be used
20 for consumption, shipment, or storage in the conduct of its
21 business as an air common carrier, for a flight that (i) is
22 engaged in foreign trade or is engaged in trade between the
23 United States and any of its possessions and (ii) transports at
24 least one individual or package for hire from the city of
25 origination to the city of final destination on the same
26 aircraft, without regard to a change in the flight number of

1 that aircraft.

2 (9) Proceeds of mandatory service charges separately
3 stated on customers' bills for the purchase and consumption of
4 food and beverages acquired as an incident to the purchase of a
5 service from a serviceman, to the extent that the proceeds of
6 the service charge are in fact turned over as tips or as a
7 substitute for tips to the employees who participate directly
8 in preparing, serving, hosting or cleaning up the food or
9 beverage function with respect to which the service charge is
10 imposed.

11 (10) Until July 1, 2003, oil field exploration, drilling,
12 and production equipment, including (i) rigs and parts of rigs,
13 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
14 tubular goods, including casing and drill strings, (iii) pumps
15 and pump-jack units, (iv) storage tanks and flow lines, (v) any
16 individual replacement part for oil field exploration,
17 drilling, and production equipment, and (vi) machinery and
18 equipment purchased for lease; but excluding motor vehicles
19 required to be registered under the Illinois Vehicle Code.

20 (11) Proceeds from the sale of photoprocessing machinery
21 and equipment, including repair and replacement parts, both new
22 and used, including that manufactured on special order,
23 certified by the purchaser to be used primarily for
24 photoprocessing, and including photoprocessing machinery and
25 equipment purchased for lease.

26 (12) Coal and aggregate exploration, mining, off-highway

1 hauling, processing, maintenance, and reclamation equipment,
2 including replacement parts and equipment, and including
3 equipment purchased for lease, but excluding motor vehicles
4 required to be registered under the Illinois Vehicle Code. The
5 changes made to this Section by Public Act 97-767 apply on and
6 after July 1, 2003, but no claim for credit or refund is
7 allowed on or after August 16, 2013 (the effective date of
8 Public Act 98-456) for such taxes paid during the period
9 beginning July 1, 2003 and ending on August 16, 2013 (the
10 effective date of Public Act 98-456).

11 (13) Semen used for artificial insemination of livestock
12 for direct agricultural production.

13 (14) Horses, or interests in horses, registered with and
14 meeting the requirements of any of the Arabian Horse Club
15 Registry of America, Appaloosa Horse Club, American Quarter
16 Horse Association, United States Trotting Association, or
17 Jockey Club, as appropriate, used for purposes of breeding or
18 racing for prizes. This item (14) is exempt from the provisions
19 of Section 3-75, and the exemption provided for under this item
20 (14) applies for all periods beginning May 30, 1995, but no
21 claim for credit or refund is allowed on or after the effective
22 date of this amendatory Act of the 95th General Assembly for
23 such taxes paid during the period beginning May 30, 2000 and
24 ending on the effective date of this amendatory Act of the 95th
25 General Assembly.

26 (15) Computers and communications equipment utilized for

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

22 (16) Personal property purchased by a lessor who leases the
23 property, under a lease of one year or longer executed or in
24 effect at the time the lessor would otherwise be subject to the
25 tax imposed by this Act, to a governmental body that has been
26 issued an active tax exemption identification number by the

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

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

26 (18) Beginning with taxable years ending on or after

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

12 (19) Beginning July 1, 1999, game or game birds purchased
13 at a "game breeding and hunting preserve area" as that term is
14 used in the Wildlife Code. This paragraph is exempt from the
15 provisions of Section 3-75.

16 (20) A motor vehicle, as that term is defined in Section
17 1-146 of the Illinois Vehicle Code, that is donated to a
18 corporation, limited liability company, society, association,
19 foundation, or institution that is determined by the Department
20 to be organized and operated exclusively for educational
21 purposes. For purposes of this exemption, "a corporation,
22 limited liability company, society, association, foundation,
23 or institution organized and operated exclusively for
24 educational purposes" means all tax-supported public schools,
25 private schools that offer systematic instruction in useful
26 branches of learning by methods common to public schools and

1 that compare favorably in their scope and intensity with the
2 course of study presented in tax-supported schools, and
3 vocational or technical schools or institutes organized and
4 operated exclusively to provide a course of study of not less
5 than 6 weeks duration and designed to prepare individuals to
6 follow a trade or to pursue a manual, technical, mechanical,
7 industrial, business, or commercial occupation.

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

22 (22) Beginning January 1, 2000 and through December 31,
23 2001, new or used automatic vending machines that prepare and
24 serve hot food and beverages, including coffee, soup, and other
25 items, and replacement parts for these machines. Beginning
26 January 1, 2002 and through June 30, 2003, machines and parts

1 for machines used in commercial, coin-operated amusement and
2 vending business if a use or occupation tax is paid on the
3 gross receipts derived from the use of the commercial,
4 coin-operated amusement and vending machines. This paragraph
5 is exempt from the provisions of Section 3-75.

6 (23) Beginning August 23, 2001 and through June 30, 2016,
7 food for human consumption that is to be consumed off the
8 premises where it is sold (other than alcoholic beverages, soft
9 drinks, and food that has been prepared for immediate
10 consumption) and prescription and nonprescription medicines,
11 drugs, medical appliances, and insulin, urine testing
12 materials, syringes, and needles used by diabetics, for human
13 use, when purchased for use by a person receiving medical
14 assistance under Article V of the Illinois Public Aid Code who
15 resides in a licensed long-term care facility, as defined in
16 the Nursing Home Care Act, or in a licensed facility as defined
17 in the ID/DD Community Care Act, the MC/DD Act, or the
18 Specialized Mental Health Rehabilitation Act of 2013.

19 (24) Beginning on the effective date of this amendatory Act
20 of the 92nd General Assembly, computers and communications
21 equipment utilized for any hospital purpose and equipment used
22 in the diagnosis, analysis, or treatment of hospital patients
23 purchased by a lessor who leases the equipment, under a lease
24 of one year or longer executed or in effect at the time the
25 lessor would otherwise be subject to the tax imposed by this
26 Act, to a hospital that has been issued an active tax exemption

1 identification number by the Department under Section 1g of the
2 Retailers' Occupation Tax Act. If the equipment is leased in a
3 manner that does not qualify for this exemption or is used in
4 any other nonexempt manner, the lessor shall be liable for the
5 tax imposed under this Act or the Use Tax Act, as the case may
6 be, based on the fair market value of the property at the time
7 the nonqualifying use occurs. No lessor shall collect or
8 attempt to collect an amount (however designated) that purports
9 to reimburse that lessor for the tax imposed by this Act or the
10 Use Tax Act, as the case may be, if the tax has not been paid by
11 the lessor. If a lessor improperly collects any such amount
12 from the lessee, the lessee shall have a legal right to claim a
13 refund of that amount from the lessor. If, however, that amount
14 is not refunded to the lessee for any reason, the lessor is
15 liable to pay that amount to the Department. This paragraph is
16 exempt from the provisions of Section 3-75.

17 (25) Beginning on the effective date of this amendatory Act
18 of the 92nd General Assembly, personal property purchased by a
19 lessor who leases the property, under a lease of one year or
20 longer executed or in effect at the time the lessor would
21 otherwise be subject to the tax imposed by this Act, to a
22 governmental body that has been issued an active tax exemption
23 identification number by the Department under Section 1g of the
24 Retailers' Occupation Tax Act. If the property is leased in a
25 manner that does not qualify for this exemption or is used in
26 any other nonexempt manner, the lessor shall be liable for the

1 tax imposed under this Act or the Use Tax Act, as the case may
2 be, based on the fair market value of the property at the time
3 the nonqualifying use occurs. No lessor shall collect or
4 attempt to collect an amount (however designated) that purports
5 to reimburse that lessor for the tax imposed by this Act or the
6 Use Tax Act, as the case may be, if the tax has not been paid by
7 the lessor. If a lessor improperly collects any such amount
8 from the lessee, the lessee shall have a legal right to claim a
9 refund of that amount from the lessor. If, however, that amount
10 is not refunded to the lessee for any reason, the lessor is
11 liable to pay that amount to the Department. This paragraph is
12 exempt from the provisions of Section 3-75.

13 (26) Beginning January 1, 2008, tangible personal property
14 used in the construction or maintenance of a community water
15 supply, as defined under Section 3.145 of the Environmental
16 Protection Act, that is operated by a not-for-profit
17 corporation that holds a valid water supply permit issued under
18 Title IV of the Environmental Protection Act. This paragraph is
19 exempt from the provisions of Section 3-75.

20 (27) Beginning January 1, 2010, materials, parts,
21 equipment, components, and furnishings incorporated into or
22 upon an aircraft as part of the modification, refurbishment,
23 completion, replacement, repair, or maintenance of the
24 aircraft. This exemption includes consumable supplies used in
25 the modification, refurbishment, completion, replacement,
26 repair, and maintenance of aircraft, but excludes any

1 materials, parts, equipment, components, and consumable
2 supplies used in the modification, replacement, repair, and
3 maintenance of aircraft engines or power plants, whether such
4 engines or power plants are installed or uninstalled upon any
5 such aircraft. "Consumable supplies" include, but are not
6 limited to, adhesive, tape, sandpaper, general purpose
7 lubricants, cleaning solution, latex gloves, and protective
8 films. This exemption applies only to the use of qualifying
9 tangible personal property transferred incident to the
10 modification, refurbishment, completion, replacement, repair,
11 or maintenance of aircraft by persons who (i) hold an Air
12 Agency Certificate and are empowered to operate an approved
13 repair station by the Federal Aviation Administration, (ii)
14 have a Class IV Rating, and (iii) conduct operations in
15 accordance with Part 145 of the Federal Aviation Regulations.
16 The exemption does not include aircraft operated by a
17 commercial air carrier providing scheduled passenger air
18 service pursuant to authority issued under Part 121 or Part 129
19 of the Federal Aviation Regulations. The changes made to this
20 paragraph (27) by Public Act 98-534 are declarative of existing
21 law.

22 (28) Tangible personal property purchased by a
23 public-facilities corporation, as described in Section
24 11-65-10 of the Illinois Municipal Code, for purposes of
25 constructing or furnishing a municipal convention hall, but
26 only if the legal title to the municipal convention hall is

1 transferred to the municipality without any further
2 consideration by or on behalf of the municipality at the time
3 of the completion of the municipal convention hall or upon the
4 retirement or redemption of any bonds or other debt instruments
5 issued by the public-facilities corporation in connection with
6 the development of the municipal convention hall. This
7 exemption includes existing public-facilities corporations as
8 provided in Section 11-65-25 of the Illinois Municipal Code.
9 This paragraph is exempt from the provisions of Section 3-75.

10 (29) Beginning January 1, 2017, menstrual pads, tampons,
11 and menstrual cups.

12 (30) Tangible personal property transferred to a purchaser
13 who is exempt from the tax imposed by this Act by operation of
14 federal law. This paragraph is exempt from the provisions of
15 Section 3-75.

16 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
17 100-22, eff. 7-6-17.)

18 (35 ILCS 110/3-5.5)

19 Sec. 3-5.5. Food and drugs sold by not-for-profit
20 organizations; exemption. The Department shall not collect the
21 1% tax imposed under this Act ~~on food for human consumption~~
22 ~~that is to be consumed off the premises where it is sold (other~~
23 ~~than alcoholic beverages, soft drinks, and food that has been~~
24 ~~prepared for immediate consumption) and prescription and~~
25 ~~nonprescription medicines, drugs, medical appliances, and~~

1 ~~insulin, urine testing materials, syringes, and needles used by~~
2 ~~diabetics, for human use~~ from any not-for-profit organization,
3 that sells food in a food distribution program at a price below
4 the retail cost of the food to purchasers who, as a condition
5 of participation in the program, are required to perform
6 community service, located in a county or municipality that
7 notifies the Department, in writing, that the county or
8 municipality does not want the tax to be collected from any of
9 such organizations located in the county or municipality.

10 (Source: P.A. 88-374.)

11 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

12 (Text of Section before amendment by P.A. 100-363)

13 Sec. 9. Each serviceman required or authorized to collect
14 the tax herein imposed shall pay to the Department the amount
15 of such tax (except as otherwise provided) at the time when he
16 is required to file his return for the period during which such
17 tax was collected, less a discount of 2.1% prior to January 1,
18 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
19 year, whichever is greater, which is allowed to reimburse the
20 serviceman for expenses incurred in collecting the tax, keeping
21 records, preparing and filing returns, remitting the tax and
22 supplying data to the Department on request. The discount
23 allowed under this Section is allowed only for returns that are
24 filed in the manner required by this Act. The Department may
25 disallow the discount for servicemen whose certificate of

1 registration is revoked at the time the return is filed, but
2 only if the Department's decision to revoke the certificate of
3 registration has become final. A serviceman need not remit that
4 part of any tax collected by him to the extent that he is
5 required to pay and does pay the tax imposed by the Service
6 Occupation Tax Act with respect to his sale of service
7 involving the incidental transfer by him of the same property.

8 Except as provided hereinafter in this Section, on or
9 before the twentieth day of each calendar month, such
10 serviceman shall file a return for the preceding calendar month
11 in accordance with reasonable Rules and Regulations to be
12 promulgated by the Department. Such return shall be filed on a
13 form prescribed by the Department and shall contain such
14 information as the Department may reasonably require. On and
15 after January 1, 2018, with respect to servicemen whose annual
16 gross receipts average \$20,000 or more, all returns required to
17 be filed pursuant to this Act shall be filed electronically.
18 Servicemen who demonstrate that they do not have access to the
19 Internet or demonstrate hardship in filing electronically may
20 petition the Department to waive the electronic filing
21 requirement.

22 The Department may require returns to be filed on a
23 quarterly basis. If so required, a return for each calendar
24 quarter shall be filed on or before the twentieth day of the
25 calendar month following the end of such calendar quarter. The
26 taxpayer shall also file a return with the Department for each

1 of the first two months of each calendar quarter, on or before
2 the twentieth day of the following calendar month, stating:

3 1. The name of the seller;

4 2. The address of the principal place of business from
5 which he engages in business as a serviceman in this State;

6 3. The total amount of taxable receipts received by him
7 during the preceding calendar month, including receipts
8 from charge and time sales, but less all deductions allowed
9 by law;

10 4. The amount of credit provided in Section 2d of this
11 Act;

12 5. The amount of tax due;

13 5-5. The signature of the taxpayer; and

14 6. Such other reasonable information as the Department
15 may require.

16 If a taxpayer fails to sign a return within 30 days after
17 the proper notice and demand for signature by the Department,
18 the return shall be considered valid and any amount shown to be
19 due on the return shall be deemed assessed.

20 Beginning October 1, 1993, a taxpayer who has an average
21 monthly tax liability of \$150,000 or more shall make all
22 payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1994, a taxpayer who has
24 an average monthly tax liability of \$100,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 1995, a taxpayer who has

1 an average monthly tax liability of \$50,000 or more shall make
2 all payments required by rules of the Department by electronic
3 funds transfer. Beginning October 1, 2000, a taxpayer who has
4 an annual tax liability of \$200,000 or more shall make all
5 payments required by rules of the Department by electronic
6 funds transfer. The term "annual tax liability" shall be the
7 sum of the taxpayer's liabilities under this Act, and under all
8 other State and local occupation and use tax laws administered
9 by the Department, for the immediately preceding calendar year.
10 The term "average monthly tax liability" means the sum of the
11 taxpayer's liabilities under this Act, and under all other
12 State and local occupation and use tax laws administered by the
13 Department, for the immediately preceding calendar year
14 divided by 12. Beginning on October 1, 2002, a taxpayer who has
15 a tax liability in the amount set forth in subsection (b) of
16 Section 2505-210 of the Department of Revenue Law shall make
17 all payments required by rules of the Department by electronic
18 funds transfer.

19 Before August 1 of each year beginning in 1993, the
20 Department shall notify all taxpayers required to make payments
21 by electronic funds transfer. All taxpayers required to make
22 payments by electronic funds transfer shall make those payments
23 for a minimum of one year beginning on October 1.

24 Any taxpayer not required to make payments by electronic
25 funds transfer may make payments by electronic funds transfer
26 with the permission of the Department.

1 All taxpayers required to make payment by electronic funds
2 transfer and any taxpayers authorized to voluntarily make
3 payments by electronic funds transfer shall make those payments
4 in the manner authorized by the Department.

5 The Department shall adopt such rules as are necessary to
6 effectuate a program of electronic funds transfer and the
7 requirements of this Section.

8 If the serviceman is otherwise required to file a monthly
9 return and if the serviceman's average monthly tax liability to
10 the Department does not exceed \$200, the Department may
11 authorize his returns to be filed on a quarter annual basis,
12 with the return for January, February and March of a given year
13 being due by April 20 of such year; with the return for April,
14 May and June of a given year being due by July 20 of such year;
15 with the return for July, August and September of a given year
16 being due by October 20 of such year, and with the return for
17 October, November and December of a given year being due by
18 January 20 of the following year.

19 If the serviceman is otherwise required to file a monthly
20 or quarterly return and if the serviceman's average monthly tax
21 liability to the Department does not exceed \$50, the Department
22 may authorize his returns to be filed on an annual basis, with
23 the return for a given year being due by January 20 of the
24 following year.

25 Such quarter annual and annual returns, as to form and
26 substance, shall be subject to the same requirements as monthly

1 returns.

2 Notwithstanding any other provision in this Act concerning
3 the time within which a serviceman may file his return, in the
4 case of any serviceman who ceases to engage in a kind of
5 business which makes him responsible for filing returns under
6 this Act, such serviceman shall file a final return under this
7 Act with the Department not more than 1 month after
8 discontinuing such business.

9 Where a serviceman collects the tax with respect to the
10 selling price of property which he sells and the purchaser
11 thereafter returns such property and the serviceman refunds the
12 selling price thereof to the purchaser, such serviceman shall
13 also refund, to the purchaser, the tax so collected from the
14 purchaser. When filing his return for the period in which he
15 refunds such tax to the purchaser, the serviceman may deduct
16 the amount of the tax so refunded by him to the purchaser from
17 any other Service Use Tax, Service Occupation Tax, retailers'
18 occupation tax or use tax which such serviceman may be required
19 to pay or remit to the Department, as shown by such return,
20 provided that the amount of the tax to be deducted shall
21 previously have been remitted to the Department by such
22 serviceman. If the serviceman shall not previously have
23 remitted the amount of such tax to the Department, he shall be
24 entitled to no deduction hereunder upon refunding such tax to
25 the purchaser.

26 Any serviceman filing a return hereunder shall also include

1 the total tax upon the selling price of tangible personal
2 property purchased for use by him as an incident to a sale of
3 service, and such serviceman shall remit the amount of such tax
4 to the Department when filing such return.

5 If experience indicates such action to be practicable, the
6 Department may prescribe and furnish a combination or joint
7 return which will enable servicemen, who are required to file
8 returns hereunder and also under the Service Occupation Tax
9 Act, to furnish all the return information required by both
10 Acts on the one form.

11 Where the serviceman has more than one business registered
12 with the Department under separate registration hereunder,
13 such serviceman shall not file each return that is due as a
14 single return covering all such registered businesses, but
15 shall file separate returns for each such registered business.

16 Beginning January 1, 1990, each month the Department shall
17 pay into the State and Local Tax Reform Fund, a special fund in
18 the State Treasury, the net revenue realized for the preceding
19 month from the 1% tax imposed under this Act ~~on sales of food
20 for human consumption which is to be consumed off the premises
21 where it is sold (other than alcoholic beverages, soft drinks
22 and food which has been prepared for immediate consumption) and
23 prescription and nonprescription medicines, drugs, medical
24 appliances, products classified as Class III medical devices,
25 by the United States Food and Drug Administration that are used
26 for cancer treatment pursuant to a prescription, as well as any~~

1 ~~accessories and components related to those devices, and~~
2 ~~insulin, urine testing materials, syringes and needles used by~~
3 ~~diabetics.~~

4 Beginning January 1, 1990, each month the Department shall
5 pay into the State and Local Sales Tax Reform Fund 20% of the
6 net revenue realized for the preceding month from the 6.25%
7 general rate on transfers of tangible personal property, other
8 than tangible personal property which is purchased outside
9 Illinois at retail from a retailer and which is titled or
10 registered by an agency of this State's government.

11 Beginning August 1, 2000, each month the Department shall
12 pay into the State and Local Sales Tax Reform Fund 100% of the
13 net revenue realized for the preceding month from the 1.25%
14 rate on the selling price of motor fuel and gasohol.

15 Beginning October 1, 2009, each month the Department shall
16 pay into the Capital Projects Fund an amount that is equal to
17 an amount estimated by the Department to represent 80% of the
18 net revenue realized for the preceding month from the sale of
19 candy, grooming and hygiene products, and soft drinks that had
20 been taxed at a rate of 1% prior to September 1, 2009 but that
21 are now taxed at 6.25%.

22 Beginning July 1, 2013, each month the Department shall pay
23 into the Underground Storage Tank Fund from the proceeds
24 collected under this Act, the Use Tax Act, the Service
25 Occupation Tax Act, and the Retailers' Occupation Tax Act an
26 amount equal to the average monthly deficit in the Underground

1 Storage Tank Fund during the prior year, as certified annually
2 by the Illinois Environmental Protection Agency, but the total
3 payment into the Underground Storage Tank Fund under this Act,
4 the Use Tax Act, the Service Occupation Tax Act, and the
5 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
6 any State fiscal year. As used in this paragraph, the "average
7 monthly deficit" shall be equal to the difference between the
8 average monthly claims for payment by the fund and the average
9 monthly revenues deposited into the fund, excluding payments
10 made pursuant to this paragraph.

11 Beginning July 1, 2015, of the remainder of the moneys
12 received by the Department under the Use Tax Act, this Act, the
13 Service Occupation Tax Act, and the Retailers' Occupation Tax
14 Act, each month the Department shall deposit \$500,000 into the
15 State Crime Laboratory Fund.

16 Of the remainder of the moneys received by the Department
17 pursuant to this Act, (a) 1.75% thereof shall be paid into the
18 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
19 and after July 1, 1989, 3.8% thereof shall be paid into the
20 Build Illinois Fund; provided, however, that if in any fiscal
21 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
22 may be, of the moneys received by the Department and required
23 to be paid into the Build Illinois Fund pursuant to Section 3
24 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
25 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
26 Service Occupation Tax Act, such Acts being hereinafter called

1 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
2 may be, of moneys being hereinafter called the "Tax Act
3 Amount", and (2) the amount transferred to the Build Illinois
4 Fund from the State and Local Sales Tax Reform Fund shall be
5 less than the Annual Specified Amount (as defined in Section 3
6 of the Retailers' Occupation Tax Act), an amount equal to the
7 difference shall be immediately paid into the Build Illinois
8 Fund from other moneys received by the Department pursuant to
9 the Tax Acts; and further provided, that if on the last
10 business day of any month the sum of (1) the Tax Act Amount
11 required to be deposited into the Build Illinois Bond Account
12 in the Build Illinois Fund during such month and (2) the amount
13 transferred during such month to the Build Illinois Fund from
14 the State and Local Sales Tax Reform Fund shall have been less
15 than 1/12 of the Annual Specified Amount, an amount equal to
16 the difference shall be immediately paid into the Build
17 Illinois Fund from other moneys received by the Department
18 pursuant to the Tax Acts; and, further provided, that in no
19 event shall the payments required under the preceding proviso
20 result in aggregate payments into the Build Illinois Fund
21 pursuant to this clause (b) for any fiscal year in excess of
22 the greater of (i) the Tax Act Amount or (ii) the Annual
23 Specified Amount for such fiscal year; and, further provided,
24 that the amounts payable into the Build Illinois Fund under
25 this clause (b) shall be payable only until such time as the
26 aggregate amount on deposit under each trust indenture securing

1 Bonds issued and outstanding pursuant to the Build Illinois
2 Bond Act is sufficient, taking into account any future
3 investment income, to fully provide, in accordance with such
4 indenture, for the defeasance of or the payment of the
5 principal of, premium, if any, and interest on the Bonds
6 secured by such indenture and on any Bonds expected to be
7 issued thereafter and all fees and costs payable with respect
8 thereto, all as certified by the Director of the Bureau of the
9 Budget (now Governor's Office of Management and Budget). If on
10 the last business day of any month in which Bonds are
11 outstanding pursuant to the Build Illinois Bond Act, the
12 aggregate of the moneys deposited in the Build Illinois Bond
13 Account in the Build Illinois Fund in such month shall be less
14 than the amount required to be transferred in such month from
15 the Build Illinois Bond Account to the Build Illinois Bond
16 Retirement and Interest Fund pursuant to Section 13 of the
17 Build Illinois Bond Act, an amount equal to such deficiency
18 shall be immediately paid from other moneys received by the
19 Department pursuant to the Tax Acts to the Build Illinois Fund;
20 provided, however, that any amounts paid to the Build Illinois
21 Fund in any fiscal year pursuant to this sentence shall be
22 deemed to constitute payments pursuant to clause (b) of the
23 preceding sentence and shall reduce the amount otherwise
24 payable for such fiscal year pursuant to clause (b) of the
25 preceding sentence. The moneys received by the Department
26 pursuant to this Act and required to be deposited into the

1 Build Illinois Fund are subject to the pledge, claim and charge
2 set forth in Section 12 of the Build Illinois Bond Act.

3 Subject to payment of amounts into the Build Illinois Fund
4 as provided in the preceding paragraph or in any amendment
5 thereto hereafter enacted, the following specified monthly
6 installment of the amount requested in the certificate of the
7 Chairman of the Metropolitan Pier and Exposition Authority
8 provided under Section 8.25f of the State Finance Act, but not
9 in excess of the sums designated as "Total Deposit", shall be
10 deposited in the aggregate from collections under Section 9 of
11 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
12 9 of the Service Occupation Tax Act, and Section 3 of the
13 Retailers' Occupation Tax Act into the McCormick Place
14 Expansion Project Fund in the specified fiscal years.

15		Total
	Fiscal Year	Deposit
16	1993	\$0
17	1994	53,000,000
18	1995	58,000,000
19	1996	61,000,000
20	1997	64,000,000
21	1998	68,000,000
22	1999	71,000,000
23	2000	75,000,000
24	2001	80,000,000
25	2002	93,000,000

1	2003	99,000,000
2	2004	103,000,000
3	2005	108,000,000
4	2006	113,000,000
5	2007	119,000,000
6	2008	126,000,000
7	2009	132,000,000
8	2010	139,000,000
9	2011	146,000,000
10	2012	153,000,000
11	2013	161,000,000
12	2014	170,000,000
13	2015	179,000,000
14	2016	189,000,000
15	2017	199,000,000
16	2018	210,000,000
17	2019	221,000,000
18	2020	233,000,000
19	2021	246,000,000
20	2022	260,000,000
21	2023	275,000,000
22	2024	275,000,000
23	2025	275,000,000
24	2026	279,000,000
25	2027	292,000,000
26	2028	307,000,000

1	2029	322,000,000
2	2030	338,000,000
3	2031	350,000,000
4	2032	350,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

13 Beginning July 20, 1993 and in each month of each fiscal
14 year thereafter, one-eighth of the amount requested in the
15 certificate of the Chairman of the Metropolitan Pier and
16 Exposition Authority for that fiscal year, less the amount
17 deposited into the McCormick Place Expansion Project Fund by
18 the State Treasurer in the respective month under subsection
19 (g) of Section 13 of the Metropolitan Pier and Exposition
20 Authority Act, plus cumulative deficiencies in the deposits
21 required under this Section for previous months and years,
22 shall be deposited into the McCormick Place Expansion Project
23 Fund, until the full amount requested for the fiscal year, but
24 not in excess of the amount specified above as "Total Deposit",
25 has been deposited.

26 Subject to payment of amounts into the Build Illinois Fund

1 and the McCormick Place Expansion Project Fund pursuant to the
2 preceding paragraphs or in any amendments thereto hereafter
3 enacted, beginning July 1, 1993 and ending on September 30,
4 2013, the Department shall each month pay into the Illinois Tax
5 Increment Fund 0.27% of 80% of the net revenue realized for the
6 preceding month from the 6.25% general rate on the selling
7 price of tangible personal property.

8 Subject to payment of amounts into the Build Illinois Fund
9 and the McCormick Place Expansion Project Fund pursuant to the
10 preceding paragraphs or in any amendments thereto hereafter
11 enacted, beginning with the receipt of the first report of
12 taxes paid by an eligible business and continuing for a 25-year
13 period, the Department shall each month pay into the Energy
14 Infrastructure Fund 80% of the net revenue realized from the
15 6.25% general rate on the selling price of Illinois-mined coal
16 that was sold to an eligible business. For purposes of this
17 paragraph, the term "eligible business" means a new electric
18 generating facility certified pursuant to Section 605-332 of
19 the Department of Commerce and Economic Opportunity Law of the
20 Civil Administrative Code of Illinois.

21 Subject to payment of amounts into the Build Illinois Fund,
22 the McCormick Place Expansion Project Fund, the Illinois Tax
23 Increment Fund, and the Energy Infrastructure Fund pursuant to
24 the preceding paragraphs or in any amendments to this Section
25 hereafter enacted, beginning on the first day of the first
26 calendar month to occur on or after August 26, 2014 (the

1 effective date of Public Act 98-1098) ~~this amendatory Act of~~
2 ~~the 98th General Assembly~~, each month, from the collections
3 made under Section 9 of the Use Tax Act, Section 9 of the
4 Service Use Tax Act, Section 9 of the Service Occupation Tax
5 Act, and Section 3 of the Retailers' Occupation Tax Act, the
6 Department shall pay into the Tax Compliance and Administration
7 Fund, to be used, subject to appropriation, to fund additional
8 auditors and compliance personnel at the Department of Revenue,
9 an amount equal to 1/12 of 5% of 80% of the cash receipts
10 collected during the preceding fiscal year by the Audit Bureau
11 of the Department under the Use Tax Act, the Service Use Tax
12 Act, the Service Occupation Tax Act, the Retailers' Occupation
13 Tax Act, and associated local occupation and use taxes
14 administered by the Department.

15 Of the remainder of the moneys received by the Department
16 pursuant to this Act, 75% thereof shall be paid into the
17 General Revenue Fund of the State Treasury and 25% shall be
18 reserved in a special account and used only for the transfer to
19 the Common School Fund as part of the monthly transfer from the
20 General Revenue Fund in accordance with Section 8a of the State
21 Finance Act.

22 As soon as possible after the first day of each month, upon
23 certification of the Department of Revenue, the Comptroller
24 shall order transferred and the Treasurer shall transfer from
25 the General Revenue Fund to the Motor Fuel Tax Fund an amount
26 equal to 1.7% of 80% of the net revenue realized under this Act

1 for the second preceding month. Beginning April 1, 2000, this
2 transfer is no longer required and shall not be made.

3 Net revenue realized for a month shall be the revenue
4 collected by the State pursuant to this Act, less the amount
5 paid out during that month as refunds to taxpayers for
6 overpayment of liability.

7 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
8 100-303, eff. 8-24-17; revised 1-22-18.)

9 (Text of Section after amendment by P.A. 100-363)

10 Sec. 9. Each serviceman required or authorized to collect
11 the tax herein imposed shall pay to the Department the amount
12 of such tax (except as otherwise provided) at the time when he
13 is required to file his return for the period during which such
14 tax was collected, less a discount of 2.1% prior to January 1,
15 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
16 year, whichever is greater, which is allowed to reimburse the
17 serviceman for expenses incurred in collecting the tax, keeping
18 records, preparing and filing returns, remitting the tax and
19 supplying data to the Department on request. The discount
20 allowed under this Section is allowed only for returns that are
21 filed in the manner required by this Act. The Department may
22 disallow the discount for servicemen whose certificate of
23 registration is revoked at the time the return is filed, but
24 only if the Department's decision to revoke the certificate of
25 registration has become final. A serviceman need not remit that

1 part of any tax collected by him to the extent that he is
2 required to pay and does pay the tax imposed by the Service
3 Occupation Tax Act with respect to his sale of service
4 involving the incidental transfer by him of the same property.

5 Except as provided hereinafter in this Section, on or
6 before the twentieth day of each calendar month, such
7 serviceman shall file a return for the preceding calendar month
8 in accordance with reasonable Rules and Regulations to be
9 promulgated by the Department. Such return shall be filed on a
10 form prescribed by the Department and shall contain such
11 information as the Department may reasonably require. On and
12 after January 1, 2018, with respect to servicemen whose annual
13 gross receipts average \$20,000 or more, all returns required to
14 be filed pursuant to this Act shall be filed electronically.
15 Servicemen who demonstrate that they do not have access to the
16 Internet or demonstrate hardship in filing electronically may
17 petition the Department to waive the electronic filing
18 requirement.

19 The Department may require returns to be filed on a
20 quarterly basis. If so required, a return for each calendar
21 quarter shall be filed on or before the twentieth day of the
22 calendar month following the end of such calendar quarter. The
23 taxpayer shall also file a return with the Department for each
24 of the first two months of each calendar quarter, on or before
25 the twentieth day of the following calendar month, stating:

- 26 1. The name of the seller;

1 2. The address of the principal place of business from
2 which he engages in business as a serviceman in this State;

3 3. The total amount of taxable receipts received by him
4 during the preceding calendar month, including receipts
5 from charge and time sales, but less all deductions allowed
6 by law;

7 4. The amount of credit provided in Section 2d of this
8 Act;

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

11 6. Such other reasonable information as the Department
12 may require.

13 If a taxpayer fails to sign a return within 30 days after
14 the proper notice and demand for signature by the Department,
15 the return shall be considered valid and any amount shown to be
16 due on the return shall be deemed assessed.

17 Beginning October 1, 1993, a taxpayer who has an average
18 monthly tax liability of \$150,000 or more shall make all
19 payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1994, a taxpayer who has
21 an average monthly tax liability of \$100,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1995, a taxpayer who has
24 an average monthly tax liability of \$50,000 or more shall make
25 all payments required by rules of the Department by electronic
26 funds transfer. Beginning October 1, 2000, a taxpayer who has

1 an annual tax liability of \$200,000 or more shall make all
2 payments required by rules of the Department by electronic
3 funds transfer. The term "annual tax liability" shall be the
4 sum of the taxpayer's liabilities under this Act, and under all
5 other State and local occupation and use tax laws administered
6 by the Department, for the immediately preceding calendar year.
7 The term "average monthly tax liability" means the sum of the
8 taxpayer's liabilities under this Act, and under all other
9 State and local occupation and use tax laws administered by the
10 Department, for the immediately preceding calendar year
11 divided by 12. Beginning on October 1, 2002, a taxpayer who has
12 a tax liability in the amount set forth in subsection (b) of
13 Section 2505-210 of the Department of Revenue Law shall make
14 all payments required by rules of the Department by electronic
15 funds transfer.

16 Before August 1 of each year beginning in 1993, the
17 Department shall notify all taxpayers required to make payments
18 by electronic funds transfer. All taxpayers required to make
19 payments by electronic funds transfer shall make those payments
20 for a minimum of one year beginning on October 1.

21 Any taxpayer not required to make payments by electronic
22 funds transfer may make payments by electronic funds transfer
23 with the permission of the Department.

24 All taxpayers required to make payment by electronic funds
25 transfer and any taxpayers authorized to voluntarily make
26 payments by electronic funds transfer shall make those payments

1 in the manner authorized by the Department.

2 The Department shall adopt such rules as are necessary to
3 effectuate a program of electronic funds transfer and the
4 requirements of this Section.

5 If the serviceman is otherwise required to file a monthly
6 return and if the serviceman's average monthly tax liability to
7 the Department does not exceed \$200, the Department may
8 authorize his returns to be filed on a quarter annual basis,
9 with the return for January, February and March of a given year
10 being due by April 20 of such year; with the return for April,
11 May and June of a given year being due by July 20 of such year;
12 with the return for July, August and September of a given year
13 being due by October 20 of such year, and with the return for
14 October, November and December of a given year being due by
15 January 20 of the following year.

16 If the serviceman is otherwise required to file a monthly
17 or quarterly return and if the serviceman's average monthly tax
18 liability to the Department does not exceed \$50, the Department
19 may authorize his returns to be filed on an annual basis, with
20 the return for a given year being due by January 20 of the
21 following year.

22 Such quarter annual and annual returns, as to form and
23 substance, shall be subject to the same requirements as monthly
24 returns.

25 Notwithstanding any other provision in this Act concerning
26 the time within which a serviceman may file his return, in the

1 case of any serviceman who ceases to engage in a kind of
2 business which makes him responsible for filing returns under
3 this Act, such serviceman shall file a final return under this
4 Act with the Department not more than 1 month after
5 discontinuing such business.

6 Where a serviceman collects the tax with respect to the
7 selling price of property which he sells and the purchaser
8 thereafter returns such property and the serviceman refunds the
9 selling price thereof to the purchaser, such serviceman shall
10 also refund, to the purchaser, the tax so collected from the
11 purchaser. When filing his return for the period in which he
12 refunds such tax to the purchaser, the serviceman may deduct
13 the amount of the tax so refunded by him to the purchaser from
14 any other Service Use Tax, Service Occupation Tax, retailers'
15 occupation tax or use tax which such serviceman may be required
16 to pay or remit to the Department, as shown by such return,
17 provided that the amount of the tax to be deducted shall
18 previously have been remitted to the Department by such
19 serviceman. If the serviceman shall not previously have
20 remitted the amount of such tax to the Department, he shall be
21 entitled to no deduction hereunder upon refunding such tax to
22 the purchaser.

23 Any serviceman filing a return hereunder shall also include
24 the total tax upon the selling price of tangible personal
25 property purchased for use by him as an incident to a sale of
26 service, and such serviceman shall remit the amount of such tax

1 to the Department when filing such return.

2 If experience indicates such action to be practicable, the
3 Department may prescribe and furnish a combination or joint
4 return which will enable servicemen, who are required to file
5 returns hereunder and also under the Service Occupation Tax
6 Act, to furnish all the return information required by both
7 Acts on the one form.

8 Where the serviceman has more than one business registered
9 with the Department under separate registration hereunder,
10 such serviceman shall not file each return that is due as a
11 single return covering all such registered businesses, but
12 shall file separate returns for each such registered business.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the State and Local Tax Reform Fund, a special fund in
15 the State Treasury, the net revenue realized for the preceding
16 month from the 1% tax imposed under this Act ~~on sales of food
17 for human consumption which is to be consumed off the premises
18 where it is sold (other than alcoholic beverages, soft drinks
19 and food which has been prepared for immediate consumption) and
20 prescription and nonprescription medicines, drugs, medical
21 appliances, products classified as Class III medical devices,
22 by the United States Food and Drug Administration that are used
23 for cancer treatment pursuant to a prescription, as well as any
24 accessories and components related to those devices, and
25 insulin, urine testing materials, syringes and needles used by
26 diabetics.~~

1 Beginning January 1, 1990, each month the Department shall
2 pay into the State and Local Sales Tax Reform Fund 20% of the
3 net revenue realized for the preceding month from the 6.25%
4 general rate on transfers of tangible personal property, other
5 than tangible personal property which is purchased outside
6 Illinois at retail from a retailer and which is titled or
7 registered by an agency of this State's government.

8 Beginning August 1, 2000, each month the Department shall
9 pay into the State and Local Sales Tax Reform Fund 100% of the
10 net revenue realized for the preceding month from the 1.25%
11 rate on the selling price of motor fuel and gasohol.

12 Beginning October 1, 2009, each month the Department shall
13 pay into the Capital Projects Fund an amount that is equal to
14 an amount estimated by the Department to represent 80% of the
15 net revenue realized for the preceding month from the sale of
16 candy, grooming and hygiene products, and soft drinks that had
17 been taxed at a rate of 1% prior to September 1, 2009 but that
18 are now taxed at 6.25%.

19 Beginning July 1, 2013, each month the Department shall pay
20 into the Underground Storage Tank Fund from the proceeds
21 collected under this Act, the Use Tax Act, the Service
22 Occupation Tax Act, and the Retailers' Occupation Tax Act an
23 amount equal to the average monthly deficit in the Underground
24 Storage Tank Fund during the prior year, as certified annually
25 by the Illinois Environmental Protection Agency, but the total
26 payment into the Underground Storage Tank Fund under this Act,

1 the Use Tax Act, the Service Occupation Tax Act, and the
2 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
3 any State fiscal year. As used in this paragraph, the "average
4 monthly deficit" shall be equal to the difference between the
5 average monthly claims for payment by the fund and the average
6 monthly revenues deposited into the fund, excluding payments
7 made pursuant to this paragraph.

8 Beginning July 1, 2015, of the remainder of the moneys
9 received by the Department under the Use Tax Act, this Act, the
10 Service Occupation Tax Act, and the Retailers' Occupation Tax
11 Act, each month the Department shall deposit \$500,000 into the
12 State Crime Laboratory Fund.

13 Of the remainder of the moneys received by the Department
14 pursuant to this Act, (a) 1.75% thereof shall be paid into the
15 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
16 and after July 1, 1989, 3.8% thereof shall be paid into the
17 Build Illinois Fund; provided, however, that if in any fiscal
18 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
19 may be, of the moneys received by the Department and required
20 to be paid into the Build Illinois Fund pursuant to Section 3
21 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
22 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
23 Service Occupation Tax Act, such Acts being hereinafter called
24 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
25 may be, of moneys being hereinafter called the "Tax Act
26 Amount", and (2) the amount transferred to the Build Illinois

1 Fund from the State and Local Sales Tax Reform Fund shall be
2 less than the Annual Specified Amount (as defined in Section 3
3 of the Retailers' Occupation Tax Act), an amount equal to the
4 difference shall be immediately paid into the Build Illinois
5 Fund from other moneys received by the Department pursuant to
6 the Tax Acts; and further provided, that if on the last
7 business day of any month the sum of (1) the Tax Act Amount
8 required to be deposited into the Build Illinois Bond Account
9 in the Build Illinois Fund during such month and (2) the amount
10 transferred during such month to the Build Illinois Fund from
11 the State and Local Sales Tax Reform Fund shall have been less
12 than 1/12 of the Annual Specified Amount, an amount equal to
13 the difference shall be immediately paid into the Build
14 Illinois Fund from other moneys received by the Department
15 pursuant to the Tax Acts; and, further provided, that in no
16 event shall the payments required under the preceding proviso
17 result in aggregate payments into the Build Illinois Fund
18 pursuant to this clause (b) for any fiscal year in excess of
19 the greater of (i) the Tax Act Amount or (ii) the Annual
20 Specified Amount for such fiscal year; and, further provided,
21 that the amounts payable into the Build Illinois Fund under
22 this clause (b) shall be payable only until such time as the
23 aggregate amount on deposit under each trust indenture securing
24 Bonds issued and outstanding pursuant to the Build Illinois
25 Bond Act is sufficient, taking into account any future
26 investment income, to fully provide, in accordance with such

1 indenture, for the defeasance of or the payment of the
2 principal of, premium, if any, and interest on the Bonds
3 secured by such indenture and on any Bonds expected to be
4 issued thereafter and all fees and costs payable with respect
5 thereto, all as certified by the Director of the Bureau of the
6 Budget (now Governor's Office of Management and Budget). If on
7 the last business day of any month in which Bonds are
8 outstanding pursuant to the Build Illinois Bond Act, the
9 aggregate of the moneys deposited in the Build Illinois Bond
10 Account in the Build Illinois Fund in such month shall be less
11 than the amount required to be transferred in such month from
12 the Build Illinois Bond Account to the Build Illinois Bond
13 Retirement and Interest Fund pursuant to Section 13 of the
14 Build Illinois Bond Act, an amount equal to such deficiency
15 shall be immediately paid from other moneys received by the
16 Department pursuant to the Tax Acts to the Build Illinois Fund;
17 provided, however, that any amounts paid to the Build Illinois
18 Fund in any fiscal year pursuant to this sentence shall be
19 deemed to constitute payments pursuant to clause (b) of the
20 preceding sentence and shall reduce the amount otherwise
21 payable for such fiscal year pursuant to clause (b) of the
22 preceding sentence. The moneys received by the Department
23 pursuant to this Act and required to be deposited into the
24 Build Illinois Fund are subject to the pledge, claim and charge
25 set forth in Section 12 of the Build Illinois Bond Act.

26 Subject to payment of amounts into the Build Illinois Fund

1 as provided in the preceding paragraph or in any amendment
2 thereto hereafter enacted, the following specified monthly
3 installment of the amount requested in the certificate of the
4 Chairman of the Metropolitan Pier and Exposition Authority
5 provided under Section 8.25f of the State Finance Act, but not
6 in excess of the sums designated as "Total Deposit", shall be
7 deposited in the aggregate from collections under Section 9 of
8 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
9 9 of the Service Occupation Tax Act, and Section 3 of the
10 Retailers' Occupation Tax Act into the McCormick Place
11 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
12		
13	1993	\$0
14	1994	53,000,000
15	1995	58,000,000
16	1996	61,000,000
17	1997	64,000,000
18	1998	68,000,000
19	1999	71,000,000
20	2000	75,000,000
21	2001	80,000,000
22	2002	93,000,000
23	2003	99,000,000
24	2004	103,000,000
25	2005	108,000,000

1	2006	113,000,000
2	2007	119,000,000
3	2008	126,000,000
4	2009	132,000,000
5	2010	139,000,000
6	2011	146,000,000
7	2012	153,000,000
8	2013	161,000,000
9	2014	170,000,000
10	2015	179,000,000
11	2016	189,000,000
12	2017	199,000,000
13	2018	210,000,000
14	2019	221,000,000
15	2020	233,000,000
16	2021	246,000,000
17	2022	260,000,000
18	2023	275,000,000
19	2024	275,000,000
20	2025	275,000,000
21	2026	279,000,000
22	2027	292,000,000
23	2028	307,000,000
24	2029	322,000,000
25	2030	338,000,000
26	2031	350,000,000

1 2032 350,000,000
2 and
3 each fiscal year
4 thereafter that bonds
5 are outstanding under
6 Section 13.2 of the
7 Metropolitan Pier and
8 Exposition Authority Act,
9 but not after fiscal year 2060.

10 Beginning July 20, 1993 and in each month of each fiscal
11 year thereafter, one-eighth of the amount requested in the
12 certificate of the Chairman of the Metropolitan Pier and
13 Exposition Authority for that fiscal year, less the amount
14 deposited into the McCormick Place Expansion Project Fund by
15 the State Treasurer in the respective month under subsection
16 (g) of Section 13 of the Metropolitan Pier and Exposition
17 Authority Act, plus cumulative deficiencies in the deposits
18 required under this Section for previous months and years,
19 shall be deposited into the McCormick Place Expansion Project
20 Fund, until the full amount requested for the fiscal year, but
21 not in excess of the amount specified above as "Total Deposit",
22 has been deposited.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois Tax
2 Increment Fund 0.27% of 80% of the net revenue realized for the
3 preceding month from the 6.25% general rate on the selling
4 price of tangible personal property.

5 Subject to payment of amounts into the Build Illinois Fund
6 and the McCormick Place Expansion Project Fund pursuant to the
7 preceding paragraphs or in any amendments thereto hereafter
8 enacted, beginning with the receipt of the first report of
9 taxes paid by an eligible business and continuing for a 25-year
10 period, the Department shall each month pay into the Energy
11 Infrastructure Fund 80% of the net revenue realized from the
12 6.25% general rate on the selling price of Illinois-mined coal
13 that was sold to an eligible business. For purposes of this
14 paragraph, the term "eligible business" means a new electric
15 generating facility certified pursuant to Section 605-332 of
16 the Department of Commerce and Economic Opportunity Law of the
17 Civil Administrative Code of Illinois.

18 Subject to payment of amounts into the Build Illinois Fund,
19 the McCormick Place Expansion Project Fund, the Illinois Tax
20 Increment Fund, and the Energy Infrastructure Fund pursuant to
21 the preceding paragraphs or in any amendments to this Section
22 hereafter enacted, beginning on the first day of the first
23 calendar month to occur on or after August 26, 2014 (the
24 effective date of Public Act 98-1098) ~~this amendatory Act of~~
25 ~~the 98th General Assembly~~, each month, from the collections
26 made under Section 9 of the Use Tax Act, Section 9 of the

1 Service Use Tax Act, Section 9 of the Service Occupation Tax
2 Act, and Section 3 of the Retailers' Occupation Tax Act, the
3 Department shall pay into the Tax Compliance and Administration
4 Fund, to be used, subject to appropriation, to fund additional
5 auditors and compliance personnel at the Department of Revenue,
6 an amount equal to 1/12 of 5% of 80% of the cash receipts
7 collected during the preceding fiscal year by the Audit Bureau
8 of the Department under the Use Tax Act, the Service Use Tax
9 Act, the Service Occupation Tax Act, the Retailers' Occupation
10 Tax Act, and associated local occupation and use taxes
11 administered by the Department.

12 Subject to payments of amounts into the Build Illinois
13 Fund, the McCormick Place Expansion Project Fund, the Illinois
14 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
15 Compliance and Administration Fund as provided in this Section,
16 beginning on July 1, 2018 the Department shall pay each month
17 into the Downstate Public Transportation Fund the moneys
18 required to be so paid under Section 2-3 of the Downstate
19 Public Transportation Act.

20 Of the remainder of the moneys received by the Department
21 pursuant to this Act, 75% thereof shall be paid into the
22 General Revenue Fund of the State Treasury and 25% shall be
23 reserved in a special account and used only for the transfer to
24 the Common School Fund as part of the monthly transfer from the
25 General Revenue Fund in accordance with Section 8a of the State
26 Finance Act.

1 As soon as possible after the first day of each month, upon
2 certification of the Department of Revenue, the Comptroller
3 shall order transferred and the Treasurer shall transfer from
4 the General Revenue Fund to the Motor Fuel Tax Fund an amount
5 equal to 1.7% of 80% of the net revenue realized under this Act
6 for the second preceding month. Beginning April 1, 2000, this
7 transfer is no longer required and shall not be made.

8 Net revenue realized for a month shall be the revenue
9 collected by the State pursuant to this Act, less the amount
10 paid out during that month as refunds to taxpayers for
11 overpayment of liability.

12 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
13 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; revised 1-22-18.)

14 Section 40. The Service Occupation Tax Act is amended by
15 changing Sections 3-5, 3-5.5 and 9 as follows:

16 (35 ILCS 115/3-5)

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

19 (1) Personal property sold by a corporation, society,
20 association, foundation, institution, or organization, other
21 than a limited liability company, that is organized and
22 operated as a not-for-profit service enterprise for the benefit
23 of persons 65 years of age or older if the personal property
24 was not purchased by the enterprise for the purpose of resale

1 by the enterprise.

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

5 (3) Personal property purchased by any not-for-profit arts
6 or cultural organization that establishes, by proof required by
7 the Department by rule, that it has received an exemption under
8 Section 501(c)(3) of the Internal Revenue Code and that is
9 organized and operated primarily for the presentation or
10 support of arts or cultural programming, activities, or
11 services. These organizations include, but are not limited to,
12 music and dramatic arts organizations such as symphony
13 orchestras and theatrical groups, arts and cultural service
14 organizations, local arts councils, visual arts organizations,
15 and media arts organizations. On and after the effective date
16 of this amendatory Act of the 92nd General Assembly, however,
17 an entity otherwise eligible for this exemption shall not make
18 tax-free purchases unless it has an active identification
19 number issued by the Department.

20 (4) Legal tender, currency, medallions, or gold or silver
21 coinage issued by the State of Illinois, the government of the
22 United States of America, or the government of any foreign
23 country, and bullion.

24 (5) Until July 1, 2003 and beginning again on September 1,
25 2004 through August 30, 2014, graphic arts machinery and
26 equipment, including repair and replacement parts, both new and

1 used, and including that manufactured on special order or
2 purchased for lease, certified by the purchaser to be used
3 primarily for graphic arts production. Equipment includes
4 chemicals or chemicals acting as catalysts but only if the
5 chemicals or chemicals acting as catalysts effect a direct and
6 immediate change upon a graphic arts product. Beginning on July
7 1, 2017, graphic arts machinery and equipment is included in
8 the manufacturing and assembling machinery and equipment
9 exemption under Section 2 of this Act.

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

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

1 this item (7). Agricultural chemical tender tanks and dry boxes
2 shall include units sold separately from a motor vehicle
3 required to be licensed and units sold mounted on a motor
4 vehicle required to be licensed if the selling price of the
5 tender is separately stated.

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

14 Farm machinery and equipment also includes computers,
15 sensors, software, and related equipment used primarily in the
16 computer-assisted operation of production agriculture
17 facilities, equipment, and activities such as, but not limited
18 to, the collection, monitoring, and correlation of animal and
19 crop data for the purpose of formulating animal diets and
20 agricultural chemicals. This item (7) is exempt from the
21 provisions of Section 3-55.

22 (8) Until June 30, 2013, fuel and petroleum products sold
23 to or used by an air common carrier, certified by the carrier
24 to be used for consumption, shipment, or storage in the conduct
25 of its business as an air common carrier, for a flight destined
26 for or returning from a location or locations outside the

1 United States without regard to previous or subsequent domestic
2 stopovers.

3 Beginning July 1, 2013, fuel and petroleum products sold to
4 or used by an air carrier, certified by the carrier to be used
5 for consumption, shipment, or storage in the conduct of its
6 business as an air common carrier, for a flight that (i) is
7 engaged in foreign trade or is engaged in trade between the
8 United States and any of its possessions and (ii) transports at
9 least one individual or package for hire from the city of
10 origination to the city of final destination on the same
11 aircraft, without regard to a change in the flight number of
12 that aircraft.

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

21 (10) Until July 1, 2003, oil field exploration, drilling,
22 and production equipment, including (i) rigs and parts of rigs,
23 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and
24 tubular goods, including casing and drill strings, (iii) pumps
25 and pump-jack units, (iv) storage tanks and flow lines, (v) any
26 individual replacement part for oil field exploration,

1 drilling, and production equipment, and (vi) machinery and
2 equipment purchased for lease; but excluding motor vehicles
3 required to be registered under the Illinois Vehicle Code.

4 (11) Photoprocessing machinery and equipment, including
5 repair and replacement parts, both new and used, including that
6 manufactured on special order, certified by the purchaser to be
7 used primarily for photoprocessing, and including
8 photoprocessing machinery and equipment purchased for lease.

9 (12) Coal and aggregate exploration, mining, off-highway
10 hauling, processing, maintenance, and reclamation equipment,
11 including replacement parts and equipment, and including
12 equipment purchased for lease, but excluding motor vehicles
13 required to be registered under the Illinois Vehicle Code. The
14 changes made to this Section by Public Act 97-767 apply on and
15 after July 1, 2003, but no claim for credit or refund is
16 allowed on or after August 16, 2013 (the effective date of
17 Public Act 98-456) for such taxes paid during the period
18 beginning July 1, 2003 and ending on August 16, 2013 (the
19 effective date of Public Act 98-456).

20 (13) Beginning January 1, 1992 and through June 30, 2016,
21 food for human consumption that is to be consumed off the
22 premises where it is sold (other than alcoholic beverages, soft
23 drinks and food that has been prepared for immediate
24 consumption) and prescription and non-prescription medicines,
25 drugs, medical appliances, and insulin, urine testing
26 materials, syringes, and needles used by diabetics, for human

1 use, when purchased for use by a person receiving medical
2 assistance under Article V of the Illinois Public Aid Code who
3 resides in a licensed long-term care facility, as defined in
4 the Nursing Home Care Act, or in a licensed facility as defined
5 in the ID/DD Community Care Act, the MC/DD Act, or the
6 Specialized Mental Health Rehabilitation Act of 2013.

7 (14) Semen used for artificial insemination of livestock
8 for direct agricultural production.

9 (15) Horses, or interests in horses, registered with and
10 meeting the requirements of any of the Arabian Horse Club
11 Registry of America, Appaloosa Horse Club, American Quarter
12 Horse Association, United States Trotting Association, or
13 Jockey Club, as appropriate, used for purposes of breeding or
14 racing for prizes. This item (15) is exempt from the provisions
15 of Section 3-55, and the exemption provided for under this item
16 (15) applies for all periods beginning May 30, 1995, but no
17 claim for credit or refund is allowed on or after January 1,
18 2008 (the effective date of Public Act 95-88) for such taxes
19 paid during the period beginning May 30, 2000 and ending on
20 January 1, 2008 (the effective date of Public Act 95-88).

21 (16) Computers and communications equipment utilized for
22 any hospital purpose and equipment used in the diagnosis,
23 analysis, or treatment of hospital patients sold to a lessor
24 who leases the equipment, under a lease of one year or longer
25 executed or in effect at the time of the purchase, to a
26 hospital that has been issued an active tax exemption

1 identification number by the Department under Section 1g of the
2 Retailers' Occupation Tax Act.

3 (17) Personal property sold to a lessor who leases the
4 property, under a lease of one year or longer executed or in
5 effect at the time of the purchase, to a governmental body that
6 has been issued an active tax exemption identification number
7 by the Department under Section 1g of the Retailers' Occupation
8 Tax Act.

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

19 (19) Beginning with taxable years ending on or after
20 December 31, 1995 and ending with taxable years ending on or
21 before December 31, 2004, personal property that is used in the
22 performance of infrastructure repairs in this State, including
23 but not limited to municipal roads and streets, access roads,
24 bridges, sidewalks, waste disposal systems, water and sewer
25 line extensions, water distribution and purification
26 facilities, storm water drainage and retention facilities, and

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

5 (20) Beginning July 1, 1999, game or game birds sold at a
6 "game breeding and hunting preserve area" as that term is used
7 in the Wildlife Code. This paragraph is exempt from the
8 provisions of Section 3-55.

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

1 (22) Beginning January 1, 2000, personal property,
2 including food, purchased through fundraising events for the
3 benefit of a public or private elementary or secondary school,
4 a group of those schools, or one or more school districts if
5 the events are sponsored by an entity recognized by the school
6 district that consists primarily of volunteers and includes
7 parents and teachers of the school children. This paragraph
8 does not apply to fundraising events (i) for the benefit of
9 private home instruction or (ii) for which the fundraising
10 entity purchases the personal property sold at the events from
11 another individual or entity that sold the property for the
12 purpose of resale by the fundraising entity and that profits
13 from the sale to the fundraising entity. This paragraph is
14 exempt from the provisions of Section 3-55.

15 (23) Beginning January 1, 2000 and through December 31,
16 2001, new or used automatic vending machines that prepare and
17 serve hot food and beverages, including coffee, soup, and other
18 items, and replacement parts for these machines. Beginning
19 January 1, 2002 and through June 30, 2003, machines and parts
20 for machines used in commercial, coin-operated amusement and
21 vending business if a use or occupation tax is paid on the
22 gross receipts derived from the use of the commercial,
23 coin-operated amusement and vending machines. This paragraph
24 is exempt from the provisions of Section 3-55.

25 (24) Beginning on the effective date of this amendatory Act
26 of the 92nd General Assembly, computers and communications

1 equipment utilized for any hospital purpose and equipment used
2 in the diagnosis, analysis, or treatment of hospital patients
3 sold to a lessor who leases the equipment, under a lease of one
4 year or longer executed or in effect at the time of the
5 purchase, to a hospital that has been issued an active tax
6 exemption identification number by the Department under
7 Section 1g of the Retailers' Occupation Tax Act. This paragraph
8 is exempt from the provisions of Section 3-55.

9 (25) Beginning on the effective date of this amendatory Act
10 of the 92nd General Assembly, personal property sold to a
11 lessor who leases the property, under a lease of one year or
12 longer executed or in effect at the time of the purchase, to a
13 governmental body that has been issued an active tax exemption
14 identification number by the Department under Section 1g of the
15 Retailers' Occupation Tax Act. This paragraph is exempt from
16 the provisions of Section 3-55.

17 (26) Beginning on January 1, 2002 and through June 30,
18 2016, tangible personal property purchased from an Illinois
19 retailer by a taxpayer engaged in centralized purchasing
20 activities in Illinois who will, upon receipt of the property
21 in Illinois, temporarily store the property in Illinois (i) for
22 the purpose of subsequently transporting it outside this State
23 for use or consumption thereafter solely outside this State or
24 (ii) for the purpose of being processed, fabricated, or
25 manufactured into, attached to, or incorporated into other
26 tangible personal property to be transported outside this State

1 and thereafter used or consumed solely outside this State. The
2 Director of Revenue shall, pursuant to rules adopted in
3 accordance with the Illinois Administrative Procedure Act,
4 issue a permit to any taxpayer in good standing with the
5 Department who is eligible for the exemption under this
6 paragraph (26). The permit issued under this paragraph (26)
7 shall authorize the holder, to the extent and in the manner
8 specified in the rules adopted under this Act, to purchase
9 tangible personal property from a retailer exempt from the
10 taxes imposed by this Act. Taxpayers shall maintain all
11 necessary books and records to substantiate the use and
12 consumption of all such tangible personal property outside of
13 the State of Illinois.

14 (27) Beginning January 1, 2008, tangible personal property
15 used in the construction or maintenance of a community water
16 supply, as defined under Section 3.145 of the Environmental
17 Protection Act, that is operated by a not-for-profit
18 corporation that holds a valid water supply permit issued under
19 Title IV of the Environmental Protection Act. This paragraph is
20 exempt from the provisions of Section 3-55.

21 (28) Tangible personal property sold to a
22 public-facilities corporation, as described in Section
23 11-65-10 of the Illinois Municipal Code, for purposes of
24 constructing or furnishing a municipal convention hall, but
25 only if the legal title to the municipal convention hall is
26 transferred to the municipality without any further

1 consideration by or on behalf of the municipality at the time
2 of the completion of the municipal convention hall or upon the
3 retirement or redemption of any bonds or other debt instruments
4 issued by the public-facilities corporation in connection with
5 the development of the municipal convention hall. This
6 exemption includes existing public-facilities corporations as
7 provided in Section 11-65-25 of the Illinois Municipal Code.
8 This paragraph is exempt from the provisions of Section 3-55.

9 (29) Beginning January 1, 2010, materials, parts,
10 equipment, components, and furnishings incorporated into or
11 upon an aircraft as part of the modification, refurbishment,
12 completion, replacement, repair, or maintenance of the
13 aircraft. This exemption includes consumable supplies used in
14 the modification, refurbishment, completion, replacement,
15 repair, and maintenance of aircraft, but excludes any
16 materials, parts, equipment, components, and consumable
17 supplies used in the modification, replacement, repair, and
18 maintenance of aircraft engines or power plants, whether such
19 engines or power plants are installed or uninstalled upon any
20 such aircraft. "Consumable supplies" include, but are not
21 limited to, adhesive, tape, sandpaper, general purpose
22 lubricants, cleaning solution, latex gloves, and protective
23 films. This exemption applies only to the transfer of
24 qualifying tangible personal property incident to the
25 modification, refurbishment, completion, replacement, repair,
26 or maintenance of an aircraft by persons who (i) hold an Air

1 Agency Certificate and are empowered to operate an approved
2 repair station by the Federal Aviation Administration, (ii)
3 have a Class IV Rating, and (iii) conduct operations in
4 accordance with Part 145 of the Federal Aviation Regulations.
5 The exemption does not include aircraft operated by a
6 commercial air carrier providing scheduled passenger air
7 service pursuant to authority issued under Part 121 or Part 129
8 of the Federal Aviation Regulations. The changes made to this
9 paragraph (29) by Public Act 98-534 are declarative of existing
10 law.

11 (30) Beginning January 1, 2017, menstrual pads, tampons,
12 and menstrual cups.

13 (31) Tangible personal property transferred to a purchaser
14 who is exempt from the tax imposed by this Act by operation of
15 federal law. This paragraph is exempt from the provisions of
16 Section 3-55.

17 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
18 100-22, eff. 7-6-17.)

19 (35 ILCS 115/3-5.5)

20 Sec. 3-5.5. Food and drugs sold by not-for-profit
21 organizations; exemption. The Department shall not collect the
22 1% tax imposed under this Act ~~on food for human consumption~~
23 ~~that is to be consumed off the premises where it is sold (other~~
24 ~~than alcoholic beverages, soft drinks, and food that has been~~
25 ~~prepared for immediate consumption) and prescription and~~

1 ~~nonprescription medicines, drugs, medical appliances, and~~
2 ~~insulin, urine testing materials, syringes, and needles used by~~
3 ~~diabetics, for human use~~ from any not-for-profit organization,
4 that sells food in a food distribution program at a price below
5 the retail cost of the food to purchasers who, as a condition
6 of participation in the program, are required to perform
7 community service, located in a county or municipality that
8 notifies the Department, in writing, that the county or
9 municipality does not want the tax to be collected from any of
10 such organizations located in the county or municipality.

11 (Source: P.A. 88-374.)

12 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

13 (Text of Section before amendment by P.A. 100-363)

14 Sec. 9. Each serviceman required or authorized to collect
15 the tax herein imposed shall pay to the Department the amount
16 of such tax at the time when he is required to file his return
17 for the period during which such tax was collectible, less a
18 discount of 2.1% prior to January 1, 1990, and 1.75% on and
19 after January 1, 1990, or \$5 per calendar year, whichever is
20 greater, which is allowed to reimburse the serviceman for
21 expenses incurred in collecting the tax, keeping records,
22 preparing and filing returns, remitting the tax and supplying
23 data to the Department on request. The discount allowed under
24 this Section is allowed only for returns that are filed in the
25 manner required by this Act. The Department may disallow the

1 discount for servicemen whose certificate of registration is
2 revoked at the time the return is filed, but only if the
3 Department's decision to revoke the certificate of
4 registration has become final.

5 Where such tangible personal property is sold under a
6 conditional sales contract, or under any other form of sale
7 wherein the payment of the principal sum, or a part thereof, is
8 extended beyond the close of the period for which the return is
9 filed, the serviceman, in collecting the tax may collect, for
10 each tax return period, only the tax applicable to the part of
11 the selling price actually received during such tax return
12 period.

13 Except as provided hereinafter in this Section, on or
14 before the twentieth day of each calendar month, such
15 serviceman shall file a return for the preceding calendar month
16 in accordance with reasonable rules and regulations to be
17 promulgated by the Department of Revenue. Such return shall be
18 filed on a form prescribed by the Department and shall contain
19 such information as the Department may reasonably require. On
20 and after January 1, 2018, with respect to servicemen whose
21 annual gross receipts average \$20,000 or more, all returns
22 required to be filed pursuant to this Act shall be filed
23 electronically. Servicemen who demonstrate that they do not
24 have access to the Internet or demonstrate hardship in filing
25 electronically may petition the Department to waive the
26 electronic filing requirement.

1 The Department may require returns to be filed on a
2 quarterly basis. If so required, a return for each calendar
3 quarter shall be filed on or before the twentieth day of the
4 calendar month following the end of such calendar quarter. The
5 taxpayer shall also file a return with the Department for each
6 of the first two months of each calendar quarter, on or before
7 the twentieth day of the following calendar month, stating:

8 1. The name of the seller;

9 2. The address of the principal place of business from
10 which he engages in business as a serviceman in this State;

11 3. The total amount of taxable receipts received by him
12 during the preceding calendar month, including receipts
13 from charge and time sales, but less all deductions allowed
14 by law;

15 4. The amount of credit provided in Section 2d of this
16 Act;

17 5. The amount of tax due;

18 5-5. The signature of the taxpayer; and

19 6. Such other reasonable information as the Department
20 may require.

21 If a taxpayer fails to sign a return within 30 days after
22 the proper notice and demand for signature by the Department,
23 the return shall be considered valid and any amount shown to be
24 due on the return shall be deemed assessed.

25 Prior to October 1, 2003, and on and after September 1,
26 2004 a serviceman may accept a Manufacturer's Purchase Credit

1 certification from a purchaser in satisfaction of Service Use
2 Tax as provided in Section 3-70 of the Service Use Tax Act if
3 the purchaser provides the appropriate documentation as
4 required by Section 3-70 of the Service Use Tax Act. A
5 Manufacturer's Purchase Credit certification, accepted prior
6 to October 1, 2003 or on or after September 1, 2004 by a
7 serviceman as provided in Section 3-70 of the Service Use Tax
8 Act, may be used by that serviceman to satisfy Service
9 Occupation Tax liability in the amount claimed in the
10 certification, not to exceed 6.25% of the receipts subject to
11 tax from a qualifying purchase. A Manufacturer's Purchase
12 Credit reported on any original or amended return filed under
13 this Act after October 20, 2003 for reporting periods prior to
14 September 1, 2004 shall be disallowed. Manufacturer's Purchase
15 Credit reported on annual returns due on or after January 1,
16 2005 will be disallowed for periods prior to September 1, 2004.
17 No Manufacturer's Purchase Credit may be used after September
18 30, 2003 through August 31, 2004 to satisfy any tax liability
19 imposed under this Act, including any audit liability.

20 If the serviceman's average monthly tax liability to the
21 Department does not exceed \$200, the Department may authorize
22 his returns to be filed on a quarter annual basis, with the
23 return for January, February and March of a given year being
24 due by April 20 of such year; with the return for April, May
25 and June of a given year being due by July 20 of such year; with
26 the return for July, August and September of a given year being

1 due by October 20 of such year, and with the return for
2 October, November and December of a given year being due by
3 January 20 of the following year.

4 If the serviceman's average monthly tax liability to the
5 Department does not exceed \$50, the Department may authorize
6 his returns to be filed on an annual basis, with the return for
7 a given year being due by January 20 of the following year.

8 Such quarter annual and annual returns, as to form and
9 substance, shall be subject to the same requirements as monthly
10 returns.

11 Notwithstanding any other provision in this Act concerning
12 the time within which a serviceman may file his return, in the
13 case of any serviceman who ceases to engage in a kind of
14 business which makes him responsible for filing returns under
15 this Act, such serviceman shall file a final return under this
16 Act with the Department not more than 1 month after
17 discontinuing such business.

18 Beginning October 1, 1993, a taxpayer who has an average
19 monthly tax liability of \$150,000 or more shall make all
20 payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1994, a taxpayer who has
22 an average monthly tax liability of \$100,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1995, a taxpayer who has
25 an average monthly tax liability of \$50,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 2000, a taxpayer who has
2 an annual tax liability of \$200,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. The term "annual tax liability" shall be the
5 sum of the taxpayer's liabilities under this Act, and under all
6 other State and local occupation and use tax laws administered
7 by the Department, for the immediately preceding calendar year.
8 The term "average monthly tax liability" means the sum of the
9 taxpayer's liabilities under this Act, and under all other
10 State and local occupation and use tax laws administered by the
11 Department, for the immediately preceding calendar year
12 divided by 12. Beginning on October 1, 2002, a taxpayer who has
13 a tax liability in the amount set forth in subsection (b) of
14 Section 2505-210 of the Department of Revenue Law shall make
15 all payments required by rules of the Department by electronic
16 funds transfer.

17 Before August 1 of each year beginning in 1993, the
18 Department shall notify all taxpayers required to make payments
19 by electronic funds transfer. All taxpayers required to make
20 payments by electronic funds transfer shall make those payments
21 for a minimum of one year beginning on October 1.

22 Any taxpayer not required to make payments by electronic
23 funds transfer may make payments by electronic funds transfer
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds
26 transfer and any taxpayers authorized to voluntarily make

1 payments by electronic funds transfer shall make those payments
2 in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to
4 effectuate a program of electronic funds transfer and the
5 requirements of this Section.

6 Where a serviceman collects the tax with respect to the
7 selling price of tangible personal property which he sells and
8 the purchaser thereafter returns such tangible personal
9 property and the serviceman refunds the selling price thereof
10 to the purchaser, such serviceman shall also refund, to the
11 purchaser, the tax so collected from the purchaser. When filing
12 his return for the period in which he refunds such tax to the
13 purchaser, the serviceman may deduct the amount of the tax so
14 refunded by him to the purchaser from any other Service
15 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
16 Use Tax which such serviceman may be required to pay or remit
17 to the Department, as shown by such return, provided that the
18 amount of the tax to be deducted shall previously have been
19 remitted to the Department by such serviceman. If the
20 serviceman shall not previously have remitted the amount of
21 such tax to the Department, he shall be entitled to no
22 deduction hereunder upon refunding such tax to the purchaser.

23 If experience indicates such action to be practicable, the
24 Department may prescribe and furnish a combination or joint
25 return which will enable servicemen, who are required to file
26 returns hereunder and also under the Retailers' Occupation Tax

1 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
2 the return information required by all said Acts on the one
3 form.

4 Where the serviceman has more than one business registered
5 with the Department under separate registrations hereunder,
6 such serviceman shall file separate returns for each registered
7 business.

8 Beginning January 1, 1990, each month the Department shall
9 pay into the Local Government Tax Fund the revenue realized for
10 the preceding month from the 1% tax imposed under this Act ~~on~~
11 ~~sales of food for human consumption which is to be consumed off~~
12 ~~the premises where it is sold (other than alcoholic beverages,~~
13 ~~soft drinks and food which has been prepared for immediate~~
14 ~~consumption) and prescription and nonprescription medicines,~~
15 ~~drugs, medical appliances, products classified as Class III~~
16 ~~medical devices by the United States Food and Drug~~
17 ~~Administration that are used for cancer treatment pursuant to a~~
18 ~~prescription, as well as any accessories and components related~~
19 ~~to those devices, and insulin, urine testing materials,~~
20 ~~syringes and needles used by diabetics.~~

21 Beginning January 1, 1990, each month the Department shall
22 pay into the County and Mass Transit District Fund 4% of the
23 revenue realized for the preceding month from the 6.25% general
24 rate.

25 Beginning August 1, 2000, each month the Department shall
26 pay into the County and Mass Transit District Fund 20% of the

1 net revenue realized for the preceding month from the 1.25%
2 rate on the selling price of motor fuel and gasohol.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the Local Government Tax Fund 16% of the revenue
5 realized for the preceding month from the 6.25% general rate on
6 transfers of tangible personal property.

7 Beginning August 1, 2000, each month the Department shall
8 pay into the Local Government Tax Fund 80% of the net revenue
9 realized for the preceding month from the 1.25% rate on the
10 selling price of motor fuel and gasohol.

11 Beginning October 1, 2009, each month the Department shall
12 pay into the Capital Projects Fund an amount that is equal to
13 an amount estimated by the Department to represent 80% of the
14 net revenue realized for the preceding month from the sale of
15 candy, grooming and hygiene products, and soft drinks that had
16 been taxed at a rate of 1% prior to September 1, 2009 but that
17 are now taxed at 6.25%.

18 Beginning July 1, 2013, each month the Department shall pay
19 into the Underground Storage Tank Fund from the proceeds
20 collected under this Act, the Use Tax Act, the Service Use Tax
21 Act, and the Retailers' Occupation Tax Act an amount equal to
22 the average monthly deficit in the Underground Storage Tank
23 Fund during the prior year, as certified annually by the
24 Illinois Environmental Protection Agency, but the total
25 payment into the Underground Storage Tank Fund under this Act,
26 the Use Tax Act, the Service Use Tax Act, and the Retailers'

1 Occupation Tax Act shall not exceed \$18,000,000 in any State
2 fiscal year. As used in this paragraph, the "average monthly
3 deficit" shall be equal to the difference between the average
4 monthly claims for payment by the fund and the average monthly
5 revenues deposited into the fund, excluding payments made
6 pursuant to this paragraph.

7 Beginning July 1, 2015, of the remainder of the moneys
8 received by the Department under the Use Tax Act, the Service
9 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
10 each month the Department shall deposit \$500,000 into the State
11 Crime Laboratory Fund.

12 Of the remainder of the moneys received by the Department
13 pursuant to this Act, (a) 1.75% thereof shall be paid into the
14 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
15 and after July 1, 1989, 3.8% thereof shall be paid into the
16 Build Illinois Fund; provided, however, that if in any fiscal
17 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
18 may be, of the moneys received by the Department and required
19 to be paid into the Build Illinois Fund pursuant to Section 3
20 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
21 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
22 Service Occupation Tax Act, such Acts being hereinafter called
23 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
24 may be, of moneys being hereinafter called the "Tax Act
25 Amount", and (2) the amount transferred to the Build Illinois
26 Fund from the State and Local Sales Tax Reform Fund shall be

1 less than the Annual Specified Amount (as defined in Section 3
2 of the Retailers' Occupation Tax Act), an amount equal to the
3 difference shall be immediately paid into the Build Illinois
4 Fund from other moneys received by the Department pursuant to
5 the Tax Acts; and further provided, that if on the last
6 business day of any month the sum of (1) the Tax Act Amount
7 required to be deposited into the Build Illinois Account in the
8 Build Illinois Fund during such month and (2) the amount
9 transferred during such month to the Build Illinois Fund from
10 the State and Local Sales Tax Reform Fund shall have been less
11 than 1/12 of the Annual Specified Amount, an amount equal to
12 the difference shall be immediately paid into the Build
13 Illinois Fund from other moneys received by the Department
14 pursuant to the Tax Acts; and, further provided, that in no
15 event shall the payments required under the preceding proviso
16 result in aggregate payments into the Build Illinois Fund
17 pursuant to this clause (b) for any fiscal year in excess of
18 the greater of (i) the Tax Act Amount or (ii) the Annual
19 Specified Amount for such fiscal year; and, further provided,
20 that the amounts payable into the Build Illinois Fund under
21 this clause (b) shall be payable only until such time as the
22 aggregate amount on deposit under each trust indenture securing
23 Bonds issued and outstanding pursuant to the Build Illinois
24 Bond Act is sufficient, taking into account any future
25 investment income, to fully provide, in accordance with such
26 indenture, for the defeasance of or the payment of the

1 principal of, premium, if any, and interest on the Bonds
2 secured by such indenture and on any Bonds expected to be
3 issued thereafter and all fees and costs payable with respect
4 thereto, all as certified by the Director of the Bureau of the
5 Budget (now Governor's Office of Management and Budget). If on
6 the last business day of any month in which Bonds are
7 outstanding pursuant to the Build Illinois Bond Act, the
8 aggregate of the moneys deposited in the Build Illinois Bond
9 Account in the Build Illinois Fund in such month shall be less
10 than the amount required to be transferred in such month from
11 the Build Illinois Bond Account to the Build Illinois Bond
12 Retirement and Interest Fund pursuant to Section 13 of the
13 Build Illinois Bond Act, an amount equal to such deficiency
14 shall be immediately paid from other moneys received by the
15 Department pursuant to the Tax Acts to the Build Illinois Fund;
16 provided, however, that any amounts paid to the Build Illinois
17 Fund in any fiscal year pursuant to this sentence shall be
18 deemed to constitute payments pursuant to clause (b) of the
19 preceding sentence and shall reduce the amount otherwise
20 payable for such fiscal year pursuant to clause (b) of the
21 preceding sentence. The moneys received by the Department
22 pursuant to this Act and required to be deposited into the
23 Build Illinois Fund are subject to the pledge, claim and charge
24 set forth in Section 12 of the Build Illinois Bond Act.

25 Subject to payment of amounts into the Build Illinois Fund
26 as provided in the preceding paragraph or in any amendment

1 thereto hereafter enacted, the following specified monthly
2 installment of the amount requested in the certificate of the
3 Chairman of the Metropolitan Pier and Exposition Authority
4 provided under Section 8.25f of the State Finance Act, but not
5 in excess of the sums designated as "Total Deposit", shall be
6 deposited in the aggregate from collections under Section 9 of
7 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
8 9 of the Service Occupation Tax Act, and Section 3 of the
9 Retailers' Occupation Tax Act into the McCormick Place
10 Expansion Project Fund in the specified fiscal years.

		Total
	Fiscal Year	Deposit
11		
12	1993	\$0
13	1994	53,000,000
14	1995	58,000,000
15	1996	61,000,000
16	1997	64,000,000
17	1998	68,000,000
18	1999	71,000,000
19	2000	75,000,000
20	2001	80,000,000
21	2002	93,000,000
22	2003	99,000,000
23	2004	103,000,000
24	2005	108,000,000
25	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	246,000,000
16	2022	260,000,000
17	2023	275,000,000
18	2024	275,000,000
19	2025	275,000,000
20	2026	279,000,000
21	2027	292,000,000
22	2028	307,000,000
23	2029	322,000,000
24	2030	338,000,000
25	2031	350,000,000
26	2032	350,000,000

1 and
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority Act,
8 but not after fiscal year 2060.

9 Beginning July 20, 1993 and in each month of each fiscal
10 year thereafter, one-eighth of the amount requested in the
11 certificate of the Chairman of the Metropolitan Pier and
12 Exposition Authority for that fiscal year, less the amount
13 deposited into the McCormick Place Expansion Project Fund by
14 the State Treasurer in the respective month under subsection
15 (g) of Section 13 of the Metropolitan Pier and Exposition
16 Authority Act, plus cumulative deficiencies in the deposits
17 required under this Section for previous months and years,
18 shall be deposited into the McCormick Place Expansion Project
19 Fund, until the full amount requested for the fiscal year, but
20 not in excess of the amount specified above as "Total Deposit",
21 has been deposited.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993 and ending on September 30,
26 2013, the Department shall each month pay into the Illinois Tax

1 Increment Fund 0.27% of 80% of the net revenue realized for the
2 preceding month from the 6.25% general rate on the selling
3 price of tangible personal property.

4 Subject to payment of amounts into the Build Illinois Fund
5 and the McCormick Place Expansion Project Fund pursuant to the
6 preceding paragraphs or in any amendments thereto hereafter
7 enacted, beginning with the receipt of the first report of
8 taxes paid by an eligible business and continuing for a 25-year
9 period, the Department shall each month pay into the Energy
10 Infrastructure Fund 80% of the net revenue realized from the
11 6.25% general rate on the selling price of Illinois-mined coal
12 that was sold to an eligible business. For purposes of this
13 paragraph, the term "eligible business" means a new electric
14 generating facility certified pursuant to Section 605-332 of
15 the Department of Commerce and Economic Opportunity Law of the
16 Civil Administrative Code of Illinois.

17 Subject to payment of amounts into the Build Illinois Fund,
18 the McCormick Place Expansion Project Fund, the Illinois Tax
19 Increment Fund, and the Energy Infrastructure Fund pursuant to
20 the preceding paragraphs or in any amendments to this Section
21 hereafter enacted, beginning on the first day of the first
22 calendar month to occur on or after August 26, 2014 (the
23 effective date of Public Act 98-1098) ~~this amendatory Act of~~
24 ~~the 98th General Assembly~~, each month, from the collections
25 made under Section 9 of the Use Tax Act, Section 9 of the
26 Service Use Tax Act, Section 9 of the Service Occupation Tax

1 Act, and Section 3 of the Retailers' Occupation Tax Act, the
2 Department shall pay into the Tax Compliance and Administration
3 Fund, to be used, subject to appropriation, to fund additional
4 auditors and compliance personnel at the Department of Revenue,
5 an amount equal to 1/12 of 5% of 80% of the cash receipts
6 collected during the preceding fiscal year by the Audit Bureau
7 of the Department under the Use Tax Act, the Service Use Tax
8 Act, the Service Occupation Tax Act, the Retailers' Occupation
9 Tax Act, and associated local occupation and use taxes
10 administered by the Department.

11 Of the remainder of the moneys received by the Department
12 pursuant to this Act, 75% shall be paid into the General
13 Revenue Fund of the State Treasury and 25% shall be reserved in
14 a special account and used only for the transfer to the Common
15 School Fund as part of the monthly transfer from the General
16 Revenue Fund in accordance with Section 8a of the State Finance
17 Act.

18 The Department may, upon separate written notice to a
19 taxpayer, require the taxpayer to prepare and file with the
20 Department on a form prescribed by the Department within not
21 less than 60 days after receipt of the notice an annual
22 information return for the tax year specified in the notice.
23 Such annual return to the Department shall include a statement
24 of gross receipts as shown by the taxpayer's last Federal
25 income tax return. If the total receipts of the business as
26 reported in the Federal income tax return do not agree with the

1 gross receipts reported to the Department of Revenue for the
2 same period, the taxpayer shall attach to his annual return a
3 schedule showing a reconciliation of the 2 amounts and the
4 reasons for the difference. The taxpayer's annual return to the
5 Department shall also disclose the cost of goods sold by the
6 taxpayer during the year covered by such return, opening and
7 closing inventories of such goods for such year, cost of goods
8 used from stock or taken from stock and given away by the
9 taxpayer during such year, pay roll information of the
10 taxpayer's business during such year and any additional
11 reasonable information which the Department deems would be
12 helpful in determining the accuracy of the monthly, quarterly
13 or annual returns filed by such taxpayer as hereinbefore
14 provided for in this Section.

15 If the annual information return required by this Section
16 is not filed when and as required, the taxpayer shall be liable
17 as follows:

18 (i) Until January 1, 1994, the taxpayer shall be liable
19 for a penalty equal to $\frac{1}{6}$ of 1% of the tax due from such
20 taxpayer under this Act during the period to be covered by
21 the annual return for each month or fraction of a month
22 until such return is filed as required, the penalty to be
23 assessed and collected in the same manner as any other
24 penalty provided for in this Act.

25 (ii) On and after January 1, 1994, the taxpayer shall
26 be liable for a penalty as described in Section 3-4 of the

1 Uniform Penalty and Interest Act.

2 The chief executive officer, proprietor, owner or highest
3 ranking manager shall sign the annual return to certify the
4 accuracy of the information contained therein. Any person who
5 willfully signs the annual return containing false or
6 inaccurate information shall be guilty of perjury and punished
7 accordingly. The annual return form prescribed by the
8 Department shall include a warning that the person signing the
9 return may be liable for perjury.

10 The foregoing portion of this Section concerning the filing
11 of an annual information return shall not apply to a serviceman
12 who is not required to file an income tax return with the
13 United States Government.

14 As soon as possible after the first day of each month, upon
15 certification of the Department of Revenue, the Comptroller
16 shall order transferred and the Treasurer shall transfer from
17 the General Revenue Fund to the Motor Fuel Tax Fund an amount
18 equal to 1.7% of 80% of the net revenue realized under this Act
19 for the second preceding month. Beginning April 1, 2000, this
20 transfer is no longer required and shall not be made.

21 Net revenue realized for a month shall be the revenue
22 collected by the State pursuant to this Act, less the amount
23 paid out during that month as refunds to taxpayers for
24 overpayment of liability.

25 For greater simplicity of administration, it shall be
26 permissible for manufacturers, importers and wholesalers whose

1 products are sold by numerous servicemen in Illinois, and who
2 wish to do so, to assume the responsibility for accounting and
3 paying to the Department all tax accruing under this Act with
4 respect to such sales, if the servicemen who are affected do
5 not make written objection to the Department to this
6 arrangement.

7 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
8 100-303, eff. 8-24-17; revised 10-31-17)

9 (Text of Section after amendment by P.A. 100-363)

10 Sec. 9. Each serviceman required or authorized to collect
11 the tax herein imposed shall pay to the Department the amount
12 of such tax at the time when he is required to file his return
13 for the period during which such tax was collectible, less a
14 discount of 2.1% prior to January 1, 1990, and 1.75% on and
15 after January 1, 1990, or \$5 per calendar year, whichever is
16 greater, which is allowed to reimburse the serviceman for
17 expenses incurred in collecting the tax, keeping records,
18 preparing and filing returns, remitting the tax and supplying
19 data to the Department on request. The discount allowed under
20 this Section is allowed only for returns that are filed in the
21 manner required by this Act. The Department may disallow the
22 discount for servicemen whose certificate of registration is
23 revoked at the time the return is filed, but only if the
24 Department's decision to revoke the certificate of
25 registration has become final.

1 Where such tangible personal property is sold under a
2 conditional sales contract, or under any other form of sale
3 wherein the payment of the principal sum, or a part thereof, is
4 extended beyond the close of the period for which the return is
5 filed, the serviceman, in collecting the tax may collect, for
6 each tax return period, only the tax applicable to the part of
7 the selling price actually received during such tax return
8 period.

9 Except as provided hereinafter in this Section, on or
10 before the twentieth day of each calendar month, such
11 serviceman shall file a return for the preceding calendar month
12 in accordance with reasonable rules and regulations to be
13 promulgated by the Department of Revenue. Such return shall be
14 filed on a form prescribed by the Department and shall contain
15 such information as the Department may reasonably require. On
16 and after January 1, 2018, with respect to servicemen whose
17 annual gross receipts average \$20,000 or more, all returns
18 required to be filed pursuant to this Act shall be filed
19 electronically. Servicemen who demonstrate that they do not
20 have access to the Internet or demonstrate hardship in filing
21 electronically may petition the Department to waive the
22 electronic filing requirement.

23 The Department may require returns to be filed on a
24 quarterly basis. If so required, a return for each calendar
25 quarter shall be filed on or before the twentieth day of the
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each
2 of the first two months of each calendar quarter, on or before
3 the twentieth day of the following calendar month, stating:

4 1. The name of the seller;

5 2. The address of the principal place of business from
6 which he engages in business as a serviceman in this State;

7 3. The total amount of taxable receipts received by him
8 during the preceding calendar month, including receipts
9 from charge and time sales, but less all deductions allowed
10 by law;

11 4. The amount of credit provided in Section 2d of this
12 Act;

13 5. The amount of tax due;

14 5-5. The signature of the taxpayer; and

15 6. Such other reasonable information as the Department
16 may require.

17 If a taxpayer fails to sign a return within 30 days after
18 the proper notice and demand for signature by the Department,
19 the return shall be considered valid and any amount shown to be
20 due on the return shall be deemed assessed.

21 Prior to October 1, 2003, and on and after September 1,
22 2004 a serviceman may accept a Manufacturer's Purchase Credit
23 certification from a purchaser in satisfaction of Service Use
24 Tax as provided in Section 3-70 of the Service Use Tax Act if
25 the purchaser provides the appropriate documentation as
26 required by Section 3-70 of the Service Use Tax Act. A

1 Manufacturer's Purchase Credit certification, accepted prior
2 to October 1, 2003 or on or after September 1, 2004 by a
3 serviceman as provided in Section 3-70 of the Service Use Tax
4 Act, may be used by that serviceman to satisfy Service
5 Occupation Tax liability in the amount claimed in the
6 certification, not to exceed 6.25% of the receipts subject to
7 tax from a qualifying purchase. A Manufacturer's Purchase
8 Credit reported on any original or amended return filed under
9 this Act after October 20, 2003 for reporting periods prior to
10 September 1, 2004 shall be disallowed. Manufacturer's Purchase
11 Credit reported on annual returns due on or after January 1,
12 2005 will be disallowed for periods prior to September 1, 2004.
13 No Manufacturer's Purchase Credit may be used after September
14 30, 2003 through August 31, 2004 to satisfy any tax liability
15 imposed under this Act, including any audit liability.

16 If the serviceman's average monthly tax liability to the
17 Department does not exceed \$200, the Department may authorize
18 his returns to be filed on a quarter annual basis, with the
19 return for January, February and March of a given year being
20 due by April 20 of such year; with the return for April, May
21 and June of a given year being due by July 20 of such year; with
22 the return for July, August and September of a given year being
23 due by October 20 of such year, and with the return for
24 October, November and December of a given year being due by
25 January 20 of the following year.

26 If the serviceman's average monthly tax liability to the

1 Department does not exceed \$50, the Department may authorize
2 his returns to be filed on an annual basis, with the return for
3 a given year being due by January 20 of the following year.

4 Such quarter annual and annual returns, as to form and
5 substance, shall be subject to the same requirements as monthly
6 returns.

7 Notwithstanding any other provision in this Act concerning
8 the time within which a serviceman may file his return, in the
9 case of any serviceman who ceases to engage in a kind of
10 business which makes him responsible for filing returns under
11 this Act, such serviceman shall file a final return under this
12 Act with the Department not more than 1 month after
13 discontinuing such business.

14 Beginning October 1, 1993, a taxpayer who has an average
15 monthly tax liability of \$150,000 or more shall make all
16 payments required by rules of the Department by electronic
17 funds transfer. Beginning October 1, 1994, a taxpayer who has
18 an average monthly tax liability of \$100,000 or more shall make
19 all payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1995, a taxpayer who has
21 an average monthly tax liability of \$50,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 2000, a taxpayer who has
24 an annual tax liability of \$200,000 or more shall make all
25 payments required by rules of the Department by electronic
26 funds transfer. The term "annual tax liability" shall be the

1 sum of the taxpayer's liabilities under this Act, and under all
2 other State and local occupation and use tax laws administered
3 by the Department, for the immediately preceding calendar year.
4 The term "average monthly tax liability" means the sum of the
5 taxpayer's liabilities under this Act, and under all other
6 State and local occupation and use tax laws administered by the
7 Department, for the immediately preceding calendar year
8 divided by 12. Beginning on October 1, 2002, a taxpayer who has
9 a tax liability in the amount set forth in subsection (b) of
10 Section 2505-210 of the Department of Revenue Law shall make
11 all payments required by rules of the Department by electronic
12 funds transfer.

13 Before August 1 of each year beginning in 1993, the
14 Department shall notify all taxpayers required to make payments
15 by electronic funds transfer. All taxpayers required to make
16 payments by electronic funds transfer shall make those payments
17 for a minimum of one year beginning on October 1.

18 Any taxpayer not required to make payments by electronic
19 funds transfer may make payments by electronic funds transfer
20 with the permission of the Department.

21 All taxpayers required to make payment by electronic funds
22 transfer and any taxpayers authorized to voluntarily make
23 payments by electronic funds transfer shall make those payments
24 in the manner authorized by the Department.

25 The Department shall adopt such rules as are necessary to
26 effectuate a program of electronic funds transfer and the

1 requirements of this Section.

2 Where a serviceman collects the tax with respect to the
3 selling price of tangible personal property which he sells and
4 the purchaser thereafter returns such tangible personal
5 property and the serviceman refunds the selling price thereof
6 to the purchaser, such serviceman shall also refund, to the
7 purchaser, the tax so collected from the purchaser. When filing
8 his return for the period in which he refunds such tax to the
9 purchaser, the serviceman may deduct the amount of the tax so
10 refunded by him to the purchaser from any other Service
11 Occupation Tax, Service Use Tax, Retailers' Occupation Tax or
12 Use Tax which such serviceman may be required to pay or remit
13 to the Department, as shown by such return, provided that the
14 amount of the tax to be deducted shall previously have been
15 remitted to the Department by such serviceman. If the
16 serviceman shall not previously have remitted the amount of
17 such tax to the Department, he shall be entitled to no
18 deduction hereunder upon refunding such tax to the purchaser.

19 If experience indicates such action to be practicable, the
20 Department may prescribe and furnish a combination or joint
21 return which will enable servicemen, who are required to file
22 returns hereunder and also under the Retailers' Occupation Tax
23 Act, the Use Tax Act or the Service Use Tax Act, to furnish all
24 the return information required by all said Acts on the one
25 form.

26 Where the serviceman has more than one business registered

1 with the Department under separate registrations hereunder,
2 such serviceman shall file separate returns for each registered
3 business.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the Local Government Tax Fund the revenue realized for
6 the preceding month from the 1% tax imposed under this Act ~~on~~
7 ~~sales of food for human consumption which is to be consumed off~~
8 ~~the premises where it is sold (other than alcoholic beverages,~~
9 ~~soft drinks and food which has been prepared for immediate~~
10 ~~consumption) and prescription and nonprescription medicines,~~
11 ~~drugs, medical appliances, products classified as Class III~~
12 ~~medical devices by the United States Food and Drug~~
13 ~~Administration that are used for cancer treatment pursuant to a~~
14 ~~prescription, as well as any accessories and components related~~
15 ~~to those devices, and insulin, urine testing materials,~~
16 ~~syringes and needles used by diabetics.~~

17 Beginning January 1, 1990, each month the Department shall
18 pay into the County and Mass Transit District Fund 4% of the
19 revenue realized for the preceding month from the 6.25% general
20 rate.

21 Beginning August 1, 2000, each month the Department shall
22 pay into the County and Mass Transit District Fund 20% of the
23 net revenue realized for the preceding month from the 1.25%
24 rate on the selling price of motor fuel and gasohol.

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund 16% of the revenue

1 realized for the preceding month from the 6.25% general rate on
2 transfers of tangible personal property.

3 Beginning August 1, 2000, each month the Department shall
4 pay into the Local Government Tax Fund 80% of the net revenue
5 realized for the preceding month from the 1.25% rate on the
6 selling price of motor fuel and gasohol.

7 Beginning October 1, 2009, each month the Department shall
8 pay into the Capital Projects Fund an amount that is equal to
9 an amount estimated by the Department to represent 80% of the
10 net revenue realized for the preceding month from the sale of
11 candy, grooming and hygiene products, and soft drinks that had
12 been taxed at a rate of 1% prior to September 1, 2009 but that
13 are now taxed at 6.25%.

14 Beginning July 1, 2013, each month the Department shall pay
15 into the Underground Storage Tank Fund from the proceeds
16 collected under this Act, the Use Tax Act, the Service Use Tax
17 Act, and the Retailers' Occupation Tax Act an amount equal to
18 the average monthly deficit in the Underground Storage Tank
19 Fund during the prior year, as certified annually by the
20 Illinois Environmental Protection Agency, but the total
21 payment into the Underground Storage Tank Fund under this Act,
22 the Use Tax Act, the Service Use Tax Act, and the Retailers'
23 Occupation Tax Act shall not exceed \$18,000,000 in any State
24 fiscal year. As used in this paragraph, the "average monthly
25 deficit" shall be equal to the difference between the average
26 monthly claims for payment by the fund and the average monthly

1 revenues deposited into the fund, excluding payments made
2 pursuant to this paragraph.

3 Beginning July 1, 2015, of the remainder of the moneys
4 received by the Department under the Use Tax Act, the Service
5 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
6 each month the Department shall deposit \$500,000 into the State
7 Crime Laboratory Fund.

8 Of the remainder of the moneys received by the Department
9 pursuant to this Act, (a) 1.75% thereof shall be paid into the
10 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
11 and after July 1, 1989, 3.8% thereof shall be paid into the
12 Build Illinois Fund; provided, however, that if in any fiscal
13 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
14 may be, of the moneys received by the Department and required
15 to be paid into the Build Illinois Fund pursuant to Section 3
16 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
17 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
18 Service Occupation Tax Act, such Acts being hereinafter called
19 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
20 may be, of moneys being hereinafter called the "Tax Act
21 Amount", and (2) the amount transferred to the Build Illinois
22 Fund from the State and Local Sales Tax Reform Fund shall be
23 less than the Annual Specified Amount (as defined in Section 3
24 of the Retailers' Occupation Tax Act), an amount equal to the
25 difference shall be immediately paid into the Build Illinois
26 Fund from other moneys received by the Department pursuant to

1 the Tax Acts; and further provided, that if on the last
2 business day of any month the sum of (1) the Tax Act Amount
3 required to be deposited into the Build Illinois Account in the
4 Build Illinois Fund during such month and (2) the amount
5 transferred during such month to the Build Illinois Fund from
6 the State and Local Sales Tax Reform Fund shall have been less
7 than 1/12 of the Annual Specified Amount, an amount equal to
8 the difference shall be immediately paid into the Build
9 Illinois Fund from other moneys received by the Department
10 pursuant to the Tax Acts; and, further provided, that in no
11 event shall the payments required under the preceding proviso
12 result in aggregate payments into the Build Illinois Fund
13 pursuant to this clause (b) for any fiscal year in excess of
14 the greater of (i) the Tax Act Amount or (ii) the Annual
15 Specified Amount for such fiscal year; and, further provided,
16 that the amounts payable into the Build Illinois Fund under
17 this clause (b) shall be payable only until such time as the
18 aggregate amount on deposit under each trust indenture securing
19 Bonds issued and outstanding pursuant to the Build Illinois
20 Bond Act is sufficient, taking into account any future
21 investment income, to fully provide, in accordance with such
22 indenture, for the defeasance of or the payment of the
23 principal of, premium, if any, and interest on the Bonds
24 secured by such indenture and on any Bonds expected to be
25 issued thereafter and all fees and costs payable with respect
26 thereto, all as certified by the Director of the Bureau of the

1 Budget (now Governor's Office of Management and Budget). If on
2 the last business day of any month in which Bonds are
3 outstanding pursuant to the Build Illinois Bond Act, the
4 aggregate of the moneys deposited in the Build Illinois Bond
5 Account in the Build Illinois Fund in such month shall be less
6 than the amount required to be transferred in such month from
7 the Build Illinois Bond Account to the Build Illinois Bond
8 Retirement and Interest Fund pursuant to Section 13 of the
9 Build Illinois Bond Act, an amount equal to such deficiency
10 shall be immediately paid from other moneys received by the
11 Department pursuant to the Tax Acts to the Build Illinois Fund;
12 provided, however, that any amounts paid to the Build Illinois
13 Fund in any fiscal year pursuant to this sentence shall be
14 deemed to constitute payments pursuant to clause (b) of the
15 preceding sentence and shall reduce the amount otherwise
16 payable for such fiscal year pursuant to clause (b) of the
17 preceding sentence. The moneys received by the Department
18 pursuant to this Act and required to be deposited into the
19 Build Illinois Fund are subject to the pledge, claim and charge
20 set forth in Section 12 of the Build Illinois Bond Act.

21 Subject to payment of amounts into the Build Illinois Fund
22 as provided in the preceding paragraph or in any amendment
23 thereto hereafter enacted, the following specified monthly
24 installment of the amount requested in the certificate of the
25 Chairman of the Metropolitan Pier and Exposition Authority
26 provided under Section 8.25f of the State Finance Act, but not

1 in excess of the sums designated as "Total Deposit", shall be
2 deposited in the aggregate from collections under Section 9 of
3 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
4 9 of the Service Occupation Tax Act, and Section 3 of the
5 Retailers' Occupation Tax Act into the McCormick Place
6 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
7		
8	1993	\$0
9	1994	53,000,000
10	1995	58,000,000
11	1996	61,000,000
12	1997	64,000,000
13	1998	68,000,000
14	1999	71,000,000
15	2000	75,000,000
16	2001	80,000,000
17	2002	93,000,000
18	2003	99,000,000
19	2004	103,000,000
20	2005	108,000,000
21	2006	113,000,000
22	2007	119,000,000
23	2008	126,000,000
24	2009	132,000,000
25	2010	139,000,000

1	2011	146,000,000
2	2012	153,000,000
3	2013	161,000,000
4	2014	170,000,000
5	2015	179,000,000
6	2016	189,000,000
7	2017	199,000,000
8	2018	210,000,000
9	2019	221,000,000
10	2020	233,000,000
11	2021	246,000,000
12	2022	260,000,000
13	2023	275,000,000
14	2024	275,000,000
15	2025	275,000,000
16	2026	279,000,000
17	2027	292,000,000
18	2028	307,000,000
19	2029	322,000,000
20	2030	338,000,000
21	2031	350,000,000
22	2032	350,000,000

23 and
24 each fiscal year
25 thereafter that bonds
26 are outstanding under

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2060.

5 Beginning July 20, 1993 and in each month of each fiscal
6 year thereafter, one-eighth of the amount requested in the
7 certificate of the Chairman of the Metropolitan Pier and
8 Exposition Authority for that fiscal year, less the amount
9 deposited into the McCormick Place Expansion Project Fund by
10 the State Treasurer in the respective month under subsection
11 (g) of Section 13 of the Metropolitan Pier and Exposition
12 Authority Act, plus cumulative deficiencies in the deposits
13 required under this Section for previous months and years,
14 shall be deposited into the McCormick Place Expansion Project
15 Fund, until the full amount requested for the fiscal year, but
16 not in excess of the amount specified above as "Total Deposit",
17 has been deposited.

18 Subject to payment of amounts into the Build Illinois Fund
19 and the McCormick Place Expansion Project Fund pursuant to the
20 preceding paragraphs or in any amendments thereto hereafter
21 enacted, beginning July 1, 1993 and ending on September 30,
22 2013, the Department shall each month pay into the Illinois Tax
23 Increment Fund 0.27% of 80% of the net revenue realized for the
24 preceding month from the 6.25% general rate on the selling
25 price of tangible personal property.

26 Subject to payment of amounts into the Build Illinois Fund

1 and the McCormick Place Expansion Project Fund pursuant to the
2 preceding paragraphs or in any amendments thereto hereafter
3 enacted, beginning with the receipt of the first report of
4 taxes paid by an eligible business and continuing for a 25-year
5 period, the Department shall each month pay into the Energy
6 Infrastructure Fund 80% of the net revenue realized from the
7 6.25% general rate on the selling price of Illinois-mined coal
8 that was sold to an eligible business. For purposes of this
9 paragraph, the term "eligible business" means a new electric
10 generating facility certified pursuant to Section 605-332 of
11 the Department of Commerce and Economic Opportunity Law of the
12 Civil Administrative Code of Illinois.

13 Subject to payment of amounts into the Build Illinois Fund,
14 the McCormick Place Expansion Project Fund, the Illinois Tax
15 Increment Fund, and the Energy Infrastructure Fund pursuant to
16 the preceding paragraphs or in any amendments to this Section
17 hereafter enacted, beginning on the first day of the first
18 calendar month to occur on or after August 26, 2014 (the
19 effective date of Public Act 98-1098) ~~this amendatory Act of~~
20 ~~the 98th General Assembly~~, each month, from the collections
21 made under Section 9 of the Use Tax Act, Section 9 of the
22 Service Use Tax Act, Section 9 of the Service Occupation Tax
23 Act, and Section 3 of the Retailers' Occupation Tax Act, the
24 Department shall pay into the Tax Compliance and Administration
25 Fund, to be used, subject to appropriation, to fund additional
26 auditors and compliance personnel at the Department of Revenue,

1 an amount equal to 1/12 of 5% of 80% of the cash receipts
2 collected during the preceding fiscal year by the Audit Bureau
3 of the Department under the Use Tax Act, the Service Use Tax
4 Act, the Service Occupation Tax Act, the Retailers' Occupation
5 Tax Act, and associated local occupation and use taxes
6 administered by the Department.

7 Subject to payments of amounts into the Build Illinois
8 Fund, the McCormick Place Expansion Project Fund, the Illinois
9 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
10 Compliance and Administration Fund as provided in this Section,
11 beginning on July 1, 2018 the Department shall pay each month
12 into the Downstate Public Transportation Fund the moneys
13 required to be so paid under Section 2-3 of the Downstate
14 Public Transportation Act.

15 Of the remainder of the moneys received by the Department
16 pursuant to this Act, 75% shall be paid into the General
17 Revenue Fund of the State Treasury and 25% shall be reserved in
18 a special account and used only for the transfer to the Common
19 School Fund as part of the monthly transfer from the General
20 Revenue Fund in accordance with Section 8a of the State Finance
21 Act.

22 The Department may, upon separate written notice to a
23 taxpayer, require the taxpayer to prepare and file with the
24 Department on a form prescribed by the Department within not
25 less than 60 days after receipt of the notice an annual
26 information return for the tax year specified in the notice.

1 Such annual return to the Department shall include a statement
2 of gross receipts as shown by the taxpayer's last Federal
3 income tax return. If the total receipts of the business as
4 reported in the Federal income tax return do not agree with the
5 gross receipts reported to the Department of Revenue for the
6 same period, the taxpayer shall attach to his annual return a
7 schedule showing a reconciliation of the 2 amounts and the
8 reasons for the difference. The taxpayer's annual return to the
9 Department shall also disclose the cost of goods sold by the
10 taxpayer during the year covered by such return, opening and
11 closing inventories of such goods for such year, cost of goods
12 used from stock or taken from stock and given away by the
13 taxpayer during such year, pay roll information of the
14 taxpayer's business during such year and any additional
15 reasonable information which the Department deems would be
16 helpful in determining the accuracy of the monthly, quarterly
17 or annual returns filed by such taxpayer as hereinbefore
18 provided for in this Section.

19 If the annual information return required by this Section
20 is not filed when and as required, the taxpayer shall be liable
21 as follows:

22 (i) Until January 1, 1994, the taxpayer shall be liable
23 for a penalty equal to 1/6 of 1% of the tax due from such
24 taxpayer under this Act during the period to be covered by
25 the annual return for each month or fraction of a month
26 until such return is filed as required, the penalty to be

1 assessed and collected in the same manner as any other
2 penalty provided for in this Act.

3 (ii) On and after January 1, 1994, the taxpayer shall
4 be liable for a penalty as described in Section 3-4 of the
5 Uniform Penalty and Interest Act.

6 The chief executive officer, proprietor, owner or highest
7 ranking manager shall sign the annual return to certify the
8 accuracy of the information contained therein. Any person who
9 willfully signs the annual return containing false or
10 inaccurate information shall be guilty of perjury and punished
11 accordingly. The annual return form prescribed by the
12 Department shall include a warning that the person signing the
13 return may be liable for perjury.

14 The foregoing portion of this Section concerning the filing
15 of an annual information return shall not apply to a serviceman
16 who is not required to file an income tax return with the
17 United States Government.

18 As soon as possible after the first day of each month, upon
19 certification of the Department of Revenue, the Comptroller
20 shall order transferred and the Treasurer shall transfer from
21 the General Revenue Fund to the Motor Fuel Tax Fund an amount
22 equal to 1.7% of 80% of the net revenue realized under this Act
23 for the second preceding month. Beginning April 1, 2000, this
24 transfer is no longer required and shall not be made.

25 Net revenue realized for a month shall be the revenue
26 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

3 For greater simplicity of administration, it shall be
4 permissible for manufacturers, importers and wholesalers whose
5 products are sold by numerous servicemen in Illinois, and who
6 wish to do so, to assume the responsibility for accounting and
7 paying to the Department all tax accruing under this Act with
8 respect to such sales, if the servicemen who are affected do
9 not make written objection to the Department to this
10 arrangement.

11 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
12 100-303, eff. 8-24-17; 100-363, eff. 7-1-18; revised
13 10-31-17.)

14 Section 45. The Retailers' Occupation Tax Act is amended by
15 changing Sections 2-5, 2-5.5, 3, and 5j as follows:

16 (35 ILCS 120/2-5)

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

20 (1) Farm chemicals.

21 (2) Farm machinery and equipment, both new and used,
22 including that manufactured on special order, certified by
23 the purchaser to be used primarily for production
24 agriculture or State or federal agricultural programs,

1 including individual replacement parts for the machinery
2 and equipment, including machinery and equipment purchased
3 for lease, and including implements of husbandry defined in
4 Section 1-130 of the Illinois Vehicle Code, farm machinery
5 and agricultural chemical and fertilizer spreaders, and
6 nurse wagons required to be registered under Section 3-809
7 of the Illinois Vehicle Code, but excluding other motor
8 vehicles required to be registered under the Illinois
9 Vehicle Code. Horticultural polyhouses or hoop houses used
10 for propagating, growing, or overwintering plants shall be
11 considered farm machinery and equipment under this item
12 (2). Agricultural chemical tender tanks and dry boxes shall
13 include units sold separately from a motor vehicle required
14 to be licensed and units sold mounted on a motor vehicle
15 required to be licensed, if the selling price of the tender
16 is separately stated.

17 Farm machinery and equipment shall include precision
18 farming equipment that is installed or purchased to be
19 installed on farm machinery and equipment including, but
20 not limited to, tractors, harvesters, sprayers, planters,
21 seeders, or spreaders. Precision farming equipment
22 includes, but is not limited to, soil testing sensors,
23 computers, monitors, software, global positioning and
24 mapping systems, and other such equipment.

25 Farm machinery and equipment also includes computers,
26 sensors, software, and related equipment used primarily in

1 the computer-assisted operation of production agriculture
2 facilities, equipment, and activities such as, but not
3 limited to, the collection, monitoring, and correlation of
4 animal and crop data for the purpose of formulating animal
5 diets and agricultural chemicals. This item (2) is exempt
6 from the provisions of Section 2-70.

7 (3) Until July 1, 2003, distillation machinery and
8 equipment, sold as a unit or kit, assembled or installed by
9 the retailer, certified by the user to be used only for the
10 production of ethyl alcohol that will be used for
11 consumption as motor fuel or as a component of motor fuel
12 for the personal use of the user, and not subject to sale
13 or resale.

14 (4) Until July 1, 2003 and beginning again September 1,
15 2004 through August 30, 2014, graphic arts machinery and
16 equipment, including repair and replacement parts, both
17 new and used, and including that manufactured on special
18 order or purchased for lease, certified by the purchaser to
19 be used primarily for graphic arts production. Equipment
20 includes chemicals or chemicals acting as catalysts but
21 only if the chemicals or chemicals acting as catalysts
22 effect a direct and immediate change upon a graphic arts
23 product. Beginning on July 1, 2017, graphic arts machinery
24 and equipment is included in the manufacturing and
25 assembling machinery and equipment exemption under
26 paragraph (14).

1 (5) A motor vehicle that is used for automobile
2 renting, as defined in the Automobile Renting Occupation
3 and Use Tax Act. This paragraph is exempt from the
4 provisions of Section 2-70.

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

8 (7) Until July 1, 2003, proceeds of that portion of the
9 selling price of a passenger car the sale of which is
10 subject to the Replacement Vehicle Tax.

11 (8) Personal property sold to an Illinois county fair
12 association for use in conducting, operating, or promoting
13 the county fair.

14 (9) Personal property sold to a not-for-profit arts or
15 cultural organization that establishes, by proof required
16 by the Department by rule, that it has received an
17 exemption under Section 501(c)(3) of the Internal Revenue
18 Code and that is organized and operated primarily for the
19 presentation or support of arts or cultural programming,
20 activities, or services. These organizations include, but
21 are not limited to, music and dramatic arts organizations
22 such as symphony orchestras and theatrical groups, arts and
23 cultural service organizations, local arts councils,
24 visual arts organizations, and media arts organizations.
25 On and after July 1, 2001 (the effective date of Public Act
26 92-35) ~~this amendatory Act of the 92nd General Assembly,~~

1 however, an entity otherwise eligible for this exemption
2 shall not make tax-free purchases unless it has an active
3 identification number issued by the Department.

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

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

26 (12) (Blank).

1 (12-5) On and after July 1, 2003 and through June 30,
2 2004, motor vehicles of the second division with a gross
3 vehicle weight in excess of 8,000 pounds that are subject
4 to the commercial distribution fee imposed under Section
5 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,
6 2004 and through June 30, 2005, the use in this State of
7 motor vehicles of the second division: (i) with a gross
8 vehicle weight rating in excess of 8,000 pounds; (ii) that
9 are subject to the commercial distribution fee imposed
10 under Section 3-815.1 of the Illinois Vehicle Code; and
11 (iii) that are primarily used for commercial purposes.
12 Through June 30, 2005, this exemption applies to repair and
13 replacement parts added after the initial purchase of such
14 a motor vehicle if that motor vehicle is used in a manner
15 that would qualify for the rolling stock exemption
16 otherwise provided for in this Act. For purposes of this
17 paragraph, "used for commercial purposes" means the
18 transportation of persons or property in furtherance of any
19 commercial or industrial enterprise whether for-hire or
20 not.

21 (13) Proceeds from sales to owners, lessors, or
22 shippers of tangible personal property that is utilized by
23 interstate carriers for hire for use as rolling stock
24 moving in interstate commerce and equipment operated by a
25 telecommunications provider, licensed as a common carrier
26 by the Federal Communications Commission, which is

1 permanently installed in or affixed to aircraft moving in
2 interstate commerce.

3 (14) Machinery and equipment that will be used by the
4 purchaser, or a lessee of the purchaser, primarily in the
5 process of manufacturing or assembling tangible personal
6 property for wholesale or retail sale or lease, whether the
7 sale or lease is made directly by the manufacturer or by
8 some other person, whether the materials used in the
9 process are owned by the manufacturer or some other person,
10 or whether the sale or lease is made apart from or as an
11 incident to the seller's engaging in the service occupation
12 of producing machines, tools, dies, jigs, patterns,
13 gauges, or other similar items of no commercial value on
14 special order for a particular purchaser. The exemption
15 provided by this paragraph (14) does not include machinery
16 and equipment used in (i) the generation of electricity for
17 wholesale or retail sale; (ii) the generation or treatment
18 of natural or artificial gas for wholesale or retail sale
19 that is delivered to customers through pipes, pipelines, or
20 mains; or (iii) the treatment of water for wholesale or
21 retail sale that is delivered to customers through pipes,
22 pipelines, or mains. The provisions of Public Act 98-583
23 are declaratory of existing law as to the meaning and scope
24 of this exemption. Beginning on July 1, 2017, the exemption
25 provided by this paragraph (14) includes, but is not
26 limited to, graphic arts machinery and equipment, as

1 defined in paragraph (4) of this Section.

2 (15) Proceeds of mandatory service charges separately
3 stated on customers' bills for purchase and consumption of
4 food and beverages, to the extent that the proceeds of the
5 service charge are in fact turned over as tips or as a
6 substitute for tips to the employees who participate
7 directly in preparing, serving, hosting or cleaning up the
8 food or beverage function with respect to which the service
9 charge is imposed.

10 (16) Petroleum products sold to a purchaser if the
11 seller is prohibited by federal law from charging tax to
12 the purchaser.

13 (17) Tangible personal property sold to a common
14 carrier by rail or motor that receives the physical
15 possession of the property in Illinois and that transports
16 the property, or shares with another common carrier in the
17 transportation of the property, out of Illinois on a
18 standard uniform bill of lading showing the seller of the
19 property as the shipper or consignor of the property to a
20 destination outside Illinois, for use outside Illinois.

21 (18) Legal tender, currency, medallions, or gold or
22 silver coinage issued by the State of Illinois, the
23 government of the United States of America, or the
24 government of any foreign country, and bullion.

25 (19) Until July 1, 2003, oil field exploration,
26 drilling, and production equipment, including (i) rigs and

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

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

15 (21) Coal and aggregate exploration, mining,
16 off-highway hauling, processing, maintenance, and
17 reclamation equipment, including replacement parts and
18 equipment, and including equipment purchased for lease,
19 but excluding motor vehicles required to be registered
20 under the Illinois Vehicle Code. The changes made to this
21 Section by Public Act 97-767 apply on and after July 1,
22 2003, but no claim for credit or refund is allowed on or
23 after August 16, 2013 (the effective date of Public Act
24 98-456) for such taxes paid during the period beginning
25 July 1, 2003 and ending on August 16, 2013 (the effective
26 date of Public Act 98-456).

1 (22) Until June 30, 2013, fuel and petroleum products
2 sold to or used by an air carrier, certified by the carrier
3 to be used for consumption, shipment, or storage in the
4 conduct of its business as an air common carrier, for a
5 flight destined for or returning from a location or
6 locations outside the United States without regard to
7 previous or subsequent domestic stopovers.

8 Beginning July 1, 2013, fuel and petroleum products
9 sold to or used by an air carrier, certified by the carrier
10 to be used for consumption, shipment, or storage in the
11 conduct of its business as an air common carrier, for a
12 flight that (i) is engaged in foreign trade or is engaged
13 in trade between the United States and any of its
14 possessions and (ii) transports at least one individual or
15 package for hire from the city of origination to the city
16 of final destination on the same aircraft, without regard
17 to a change in the flight number of that aircraft.

18 (23) A transaction in which the purchase order is
19 received by a florist who is located outside Illinois, but
20 who has a florist located in Illinois deliver the property
21 to the purchaser or the purchaser's donee in Illinois.

22 (24) Fuel consumed or used in the operation of ships,
23 barges, or vessels that are used primarily in or for the
24 transportation of property or the conveyance of persons for
25 hire on rivers bordering on this State if the fuel is
26 delivered by the seller to the purchaser's barge, ship, or

1 vessel while it is afloat upon that bordering river.

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

14 (25-5) The exemption under item (25) does not apply if
15 the state in which the motor vehicle will be titled does
16 not allow a reciprocal exemption for a motor vehicle sold
17 and delivered in that state to an Illinois resident but
18 titled in Illinois. The tax collected under this Act on the
19 sale of a motor vehicle in this State to a resident of
20 another state that does not allow a reciprocal exemption
21 shall be imposed at a rate equal to the state's rate of tax
22 on taxable property in the state in which the purchaser is
23 a resident, except that the tax shall not exceed the tax
24 that would otherwise be imposed under this Act. At the time
25 of the sale, the purchaser shall execute a statement,
26 signed under penalty of perjury, of his or her intent to

1 title the vehicle in the state in which the purchaser is a
2 resident within 30 days after the sale and of the fact of
3 the payment to the State of Illinois of tax in an amount
4 equivalent to the state's rate of tax on taxable property
5 in his or her state of residence and shall submit the
6 statement to the appropriate tax collection agency in his
7 or her state of residence. In addition, the retailer must
8 retain a signed copy of the statement in his or her
9 records. Nothing in this item shall be construed to require
10 the removal of the vehicle from this state following the
11 filing of an intent to title the vehicle in the purchaser's
12 state of residence if the purchaser titles the vehicle in
13 his or her state of residence within 30 days after the date
14 of sale. The tax collected under this Act in accordance
15 with this item (25-5) shall be proportionately distributed
16 as if the tax were collected at the 6.25% general rate
17 imposed under this Act.

18 (25-7) Beginning on July 1, 2007, no tax is imposed
19 under this Act on the sale of an aircraft, as defined in
20 Section 3 of the Illinois Aeronautics Act, if all of the
21 following conditions are met:

22 (1) the aircraft leaves this State within 15 days
23 after the later of either the issuance of the final
24 billing for the sale of the aircraft, or the authorized
25 approval for return to service, completion of the
26 maintenance record entry, and completion of the test

1 flight and ground test for inspection, as required by
2 14 C.F.R. 91.407;

3 (2) the aircraft is not based or registered in this
4 State after the sale of the aircraft; and

5 (3) the seller retains in his or her books and
6 records and provides to the Department a signed and
7 dated certification from the purchaser, on a form
8 prescribed by the Department, certifying that the
9 requirements of this item (25-7) are met. The
10 certificate must also include the name and address of
11 the purchaser, the address of the location where the
12 aircraft is to be titled or registered, the address of
13 the primary physical location of the aircraft, and
14 other information that the Department may reasonably
15 require.

16 For purposes of this item (25-7):

17 "Based in this State" means hangared, stored, or
18 otherwise used, excluding post-sale customizations as
19 defined in this Section, for 10 or more days in each
20 12-month period immediately following the date of the sale
21 of the aircraft.

22 "Registered in this State" means an aircraft
23 registered with the Department of Transportation,
24 Aeronautics Division, or titled or registered with the
25 Federal Aviation Administration to an address located in
26 this State.

1 This paragraph (25-7) is exempt from the provisions of
2 Section 2-70.

3 (26) Semen used for artificial insemination of
4 livestock for direct agricultural production.

5 (27) Horses, or interests in horses, registered with
6 and meeting the requirements of any of the Arabian Horse
7 Club Registry of America, Appaloosa Horse Club, American
8 Quarter Horse Association, United States Trotting
9 Association, or Jockey Club, as appropriate, used for
10 purposes of breeding or racing for prizes. This item (27)
11 is exempt from the provisions of Section 2-70, and the
12 exemption provided for under this item (27) applies for all
13 periods beginning May 30, 1995, but no claim for credit or
14 refund is allowed on or after January 1, 2008 (the
15 effective date of Public Act 95-88) for such taxes paid
16 during the period beginning May 30, 2000 and ending on
17 January 1, 2008 (the effective date of Public Act 95-88).

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

26 (29) Personal property sold to a lessor who leases the

1 property, under a lease of one year or longer executed or
2 in effect at the time of the purchase, to a governmental
3 body that has been issued an active tax exemption
4 identification number by the Department under Section 1g of
5 this Act.

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

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

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

4 (32) Beginning July 1, 1999, game or game birds sold at
5 a "game breeding and hunting preserve area" as that term is
6 used in the Wildlife Code. This paragraph is exempt from
7 the provisions of Section 2-70.

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

1 occupation.

2 (34) Beginning January 1, 2000, personal property,
3 including food, purchased through fundraising events for
4 the benefit of a public or private elementary or secondary
5 school, a group of those schools, or one or more school
6 districts if the events are sponsored by an entity
7 recognized by the school district that consists primarily
8 of volunteers and includes parents and teachers of the
9 school children. This paragraph does not apply to
10 fundraising events (i) for the benefit of private home
11 instruction or (ii) for which the fundraising entity
12 purchases the personal property sold at the events from
13 another individual or entity that sold the property for the
14 purpose of resale by the fundraising entity and that
15 profits from the sale to the fundraising entity. This
16 paragraph is exempt from the provisions of Section 2-70.

17 (35) Beginning January 1, 2000 and through December 31,
18 2001, new or used automatic vending machines that prepare
19 and serve hot food and beverages, including coffee, soup,
20 and other items, and replacement parts for these machines.
21 Beginning January 1, 2002 and through June 30, 2003,
22 machines and parts for machines used in commercial,
23 coin-operated amusement and vending business if a use or
24 occupation tax is paid on the gross receipts derived from
25 the use of the commercial, coin-operated amusement and
26 vending machines. This paragraph is exempt from the

1 provisions of Section 2-70.

2 (35-5) Beginning August 23, 2001 and through June 30,
3 2016, food for human consumption that is to be consumed off
4 the premises where it is sold (other than alcoholic
5 beverages, soft drinks, and food that has been prepared for
6 immediate consumption) and prescription and
7 nonprescription medicines, drugs, medical appliances, and
8 insulin, urine testing materials, syringes, and needles
9 used by diabetics, for human use, when purchased for use by
10 a person receiving medical assistance under Article V of
11 the Illinois Public Aid Code who resides in a licensed
12 long-term care facility, as defined in the Nursing Home
13 Care Act, or a licensed facility as defined in the ID/DD
14 Community Care Act, the MC/DD Act, or the Specialized
15 Mental Health Rehabilitation Act of 2013.

16 (36) Beginning August 2, 2001, computers and
17 communications equipment utilized for any hospital purpose
18 and equipment used in the diagnosis, analysis, or treatment
19 of hospital patients sold to a lessor who leases the
20 equipment, under a lease of one year or longer executed or
21 in effect at the time of the purchase, to a hospital that
22 has been issued an active tax exemption identification
23 number by the Department under Section 1g of this Act. This
24 paragraph is exempt from the provisions of Section 2-70.

25 (37) Beginning August 2, 2001, personal property sold
26 to a lessor who leases the property, under a lease of one

1 year or longer executed or in effect at the time of the
2 purchase, to a governmental body that has been issued an
3 active tax exemption identification number by the
4 Department under Section 1g of this Act. This paragraph is
5 exempt from the provisions of Section 2-70.

6 (38) Beginning on January 1, 2002 and through June 30,
7 2016, tangible personal property purchased from an
8 Illinois retailer by a taxpayer engaged in centralized
9 purchasing activities in Illinois who will, upon receipt of
10 the property in Illinois, temporarily store the property in
11 Illinois (i) for the purpose of subsequently transporting
12 it outside this State for use or consumption thereafter
13 solely outside this State or (ii) for the purpose of being
14 processed, fabricated, or manufactured into, attached to,
15 or incorporated into other tangible personal property to be
16 transported outside this State and thereafter used or
17 consumed solely outside this State. The Director of Revenue
18 shall, pursuant to rules adopted in accordance with the
19 Illinois Administrative Procedure Act, issue a permit to
20 any taxpayer in good standing with the Department who is
21 eligible for the exemption under this paragraph (38). The
22 permit issued under this paragraph (38) shall authorize the
23 holder, to the extent and in the manner specified in the
24 rules adopted under this Act, to purchase tangible personal
25 property from a retailer exempt from the taxes imposed by
26 this Act. Taxpayers shall maintain all necessary books and

1 records to substantiate the use and consumption of all such
2 tangible personal property outside of the State of
3 Illinois.

4 (39) Beginning January 1, 2008, tangible personal
5 property used in the construction or maintenance of a
6 community water supply, as defined under Section 3.145 of
7 the Environmental Protection Act, that is operated by a
8 not-for-profit corporation that holds a valid water supply
9 permit issued under Title IV of the Environmental
10 Protection Act. This paragraph is exempt from the
11 provisions of Section 2-70.

12 (40) Beginning January 1, 2010, materials, parts,
13 equipment, components, and furnishings incorporated into
14 or upon an aircraft as part of the modification,
15 refurbishment, completion, replacement, repair, or
16 maintenance of the aircraft. This exemption includes
17 consumable supplies used in the modification,
18 refurbishment, completion, replacement, repair, and
19 maintenance of aircraft, but excludes any materials,
20 parts, equipment, components, and consumable supplies used
21 in the modification, replacement, repair, and maintenance
22 of aircraft engines or power plants, whether such engines
23 or power plants are installed or uninstalled upon any such
24 aircraft. "Consumable supplies" include, but are not
25 limited to, adhesive, tape, sandpaper, general purpose
26 lubricants, cleaning solution, latex gloves, and

1 protective films. This exemption applies only to the sale
2 of qualifying tangible personal property to persons who
3 modify, refurbish, complete, replace, or maintain an
4 aircraft and who (i) hold an Air Agency Certificate and are
5 empowered to operate an approved repair station by the
6 Federal Aviation Administration, (ii) have a Class IV
7 Rating, and (iii) conduct operations in accordance with
8 Part 145 of the Federal Aviation Regulations. The exemption
9 does not include aircraft operated by a commercial air
10 carrier providing scheduled passenger air service pursuant
11 to authority issued under Part 121 or Part 129 of the
12 Federal Aviation Regulations. The changes made to this
13 paragraph (40) by Public Act 98-534 are declarative of
14 existing law.

15 (41) Tangible personal property sold to a
16 public-facilities corporation, as described in Section
17 11-65-10 of the Illinois Municipal Code, for purposes of
18 constructing or furnishing a municipal convention hall,
19 but only if the legal title to the municipal convention
20 hall is transferred to the municipality without any further
21 consideration by or on behalf of the municipality at the
22 time of the completion of the municipal convention hall or
23 upon the retirement or redemption of any bonds or other
24 debt instruments issued by the public-facilities
25 corporation in connection with the development of the
26 municipal convention hall. This exemption includes

1 existing public-facilities corporations as provided in
2 Section 11-65-25 of the Illinois Municipal Code. This
3 paragraph is exempt from the provisions of Section 2-70.

4 (42) Beginning January 1, 2017, menstrual pads,
5 tampons, and menstrual cups.

6 (43) Merchandise that is subject to the Rental Purchase
7 Agreement Occupation and Use Tax. The purchaser must
8 certify that the item is purchased to be rented subject to
9 a rental purchase agreement, as defined in the Rental
10 Purchase Agreement Act, and provide proof of registration
11 under the Rental Purchase Agreement Occupation and Use Tax
12 Act. This paragraph is exempt from the provisions of
13 Section 2-70.

14 (44) Tangible personal property transferred to a
15 purchaser who is exempt from the tax imposed by this Act by
16 operation of federal law. This paragraph is exempt from the
17 provisions of Section 2-70.

18 (Source: P.A. 99-180, eff. 7-29-15; 99-855, eff. 8-19-16;
19 100-22, eff. 7-6-17; 100-321, eff. 8-24-17; 100-437, eff.
20 1-1-18; revised 9-26-17.)

21 (35 ILCS 120/2-5.5)

22 Sec. 2-5.5. Food and drugs sold by not-for-profit
23 organizations; exemption. The Department shall not collect the
24 1% tax imposed under this Act ~~on food for human consumption~~
25 ~~that is to be consumed off the premises where it is sold (other~~

1 ~~than alcoholic beverages, soft drinks, and food that has been~~
2 ~~prepared for immediate consumption) and prescription and~~
3 ~~nonprescription medicines, drugs, medical appliances, and~~
4 ~~insulin, urine testing materials, syringes, and needles used by~~
5 ~~diabetics, for human use~~ from any not-for-profit organization,
6 that sells food in a food distribution program at a price below
7 the retail cost of the food to purchasers who, as a condition
8 of participation in the program, are required to perform
9 community service, located in a county or municipality that
10 notifies the Department, in writing, that the county or
11 municipality does not want the tax to be collected from any of
12 such organizations located in the county or municipality.

13 (Source: P.A. 88-374.)

14 (35 ILCS 120/3) (from Ch. 120, par. 442)

15 (Text of Section before amendment by P.A. 100-363)

16 Sec. 3. Except as provided in this Section, on or before
17 the twentieth day of each calendar month, every person engaged
18 in the business of selling tangible personal property at retail
19 in this State during the preceding calendar month shall file a
20 return with the Department, stating:

21 1. The name of the seller;

22 2. His residence address and the address of his
23 principal place of business and the address of the
24 principal place of business (if that is a different
25 address) from which he engages in the business of selling

1 tangible personal property at retail in this State;

2 3. Total amount of receipts received by him during the
3 preceding calendar month or quarter, as the case may be,
4 from sales of tangible personal property, and from services
5 furnished, by him during such preceding calendar month or
6 quarter;

7 4. Total amount received by him during the preceding
8 calendar month or quarter on charge and time sales of
9 tangible personal property, and from services furnished,
10 by him prior to the month or quarter for which the return
11 is filed;

12 5. Deductions allowed by law;

13 6. Gross receipts which were received by him during the
14 preceding calendar month or quarter and upon the basis of
15 which the tax is imposed;

16 7. The amount of credit provided in Section 2d of this
17 Act;

18 8. The amount of tax due;

19 9. The signature of the taxpayer; and

20 10. Such other reasonable information as the
21 Department may require.

22 On and after January 1, 2018, except for returns for motor
23 vehicles, watercraft, aircraft, and trailers that are required
24 to be registered with an agency of this State, with respect to
25 retailers whose annual gross receipts average \$20,000 or more,
26 all returns required to be filed pursuant to this Act shall be

1 filed electronically. Retailers who demonstrate that they do
2 not have access to the Internet or demonstrate hardship in
3 filing electronically may petition the Department to waive the
4 electronic filing requirement.

5 If a taxpayer fails to sign a return within 30 days after
6 the proper notice and demand for signature by the Department,
7 the return shall be considered valid and any amount shown to be
8 due on the return shall be deemed assessed.

9 Each return shall be accompanied by the statement of
10 prepaid tax issued pursuant to Section 2e for which credit is
11 claimed.

12 Prior to October 1, 2003, and on and after September 1,
13 2004 a retailer may accept a Manufacturer's Purchase Credit
14 certification from a purchaser in satisfaction of Use Tax as
15 provided in Section 3-85 of the Use Tax Act if the purchaser
16 provides the appropriate documentation as required by Section
17 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
18 certification, accepted by a retailer prior to October 1, 2003
19 and on and after September 1, 2004 as provided in Section 3-85
20 of the Use Tax Act, may be used by that retailer to satisfy
21 Retailers' Occupation Tax liability in the amount claimed in
22 the certification, not to exceed 6.25% of the receipts subject
23 to tax from a qualifying purchase. A Manufacturer's Purchase
24 Credit reported on any original or amended return filed under
25 this Act after October 20, 2003 for reporting periods prior to
26 September 1, 2004 shall be disallowed. Manufacturer's

1 Purchaser Credit reported on annual returns due on or after
2 January 1, 2005 will be disallowed for periods prior to
3 September 1, 2004. No Manufacturer's Purchase Credit may be
4 used after September 30, 2003 through August 31, 2004 to
5 satisfy any tax liability imposed under this Act, including any
6 audit liability.

7 The Department may require returns to be filed on a
8 quarterly basis. If so required, a return for each calendar
9 quarter shall be filed on or before the twentieth day of the
10 calendar month following the end of such calendar quarter. The
11 taxpayer shall also file a return with the Department for each
12 of the first two months of each calendar quarter, on or before
13 the twentieth day of the following calendar month, stating:

- 14 1. The name of the seller;
- 15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;
- 18 3. The total amount of taxable receipts received by him
19 during the preceding calendar month from sales of tangible
20 personal property by him during such preceding calendar
21 month, including receipts from charge and time sales, but
22 less all deductions allowed by law;
- 23 4. The amount of credit provided in Section 2d of this
24 Act;
- 25 5. The amount of tax due; and
- 26 6. Such other reasonable information as the Department

1 may require.

2 Beginning on October 1, 2003, any person who is not a
3 licensed distributor, importing distributor, or manufacturer,
4 as defined in the Liquor Control Act of 1934, but is engaged in
5 the business of selling, at retail, alcoholic liquor shall file
6 a statement with the Department of Revenue, in a format and at
7 a time prescribed by the Department, showing the total amount
8 paid for alcoholic liquor purchased during the preceding month
9 and such other information as is reasonably required by the
10 Department. The Department may adopt rules to require that this
11 statement be filed in an electronic or telephonic format. Such
12 rules may provide for exceptions from the filing requirements
13 of this paragraph. For the purposes of this paragraph, the term
14 "alcoholic liquor" shall have the meaning prescribed in the
15 Liquor Control Act of 1934.

16 Beginning on October 1, 2003, every distributor, importing
17 distributor, and manufacturer of alcoholic liquor as defined in
18 the Liquor Control Act of 1934, shall file a statement with the
19 Department of Revenue, no later than the 10th day of the month
20 for the preceding month during which transactions occurred, by
21 electronic means, showing the total amount of gross receipts
22 from the sale of alcoholic liquor sold or distributed during
23 the preceding month to purchasers; identifying the purchaser to
24 whom it was sold or distributed; the purchaser's tax
25 registration number; and such other information reasonably
26 required by the Department. A distributor, importing

1 distributor, or manufacturer of alcoholic liquor must
2 personally deliver, mail, or provide by electronic means to
3 each retailer listed on the monthly statement a report
4 containing a cumulative total of that distributor's, importing
5 distributor's, or manufacturer's total sales of alcoholic
6 liquor to that retailer no later than the 10th day of the month
7 for the preceding month during which the transaction occurred.
8 The distributor, importing distributor, or manufacturer shall
9 notify the retailer as to the method by which the distributor,
10 importing distributor, or manufacturer will provide the sales
11 information. If the retailer is unable to receive the sales
12 information by electronic means, the distributor, importing
13 distributor, or manufacturer shall furnish the sales
14 information by personal delivery or by mail. For purposes of
15 this paragraph, the term "electronic means" includes, but is
16 not limited to, the use of a secure Internet website, e-mail,
17 or facsimile.

18 If a total amount of less than \$1 is payable, refundable or
19 creditable, such amount shall be disregarded if it is less than
20 50 cents and shall be increased to \$1 if it is 50 cents or more.

21 Beginning October 1, 1993, a taxpayer who has an average
22 monthly tax liability of \$150,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1994, a taxpayer who has
25 an average monthly tax liability of \$100,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1995, a taxpayer who has
2 an average monthly tax liability of \$50,000 or more shall make
3 all payments required by rules of the Department by electronic
4 funds transfer. Beginning October 1, 2000, a taxpayer who has
5 an annual tax liability of \$200,000 or more shall make all
6 payments required by rules of the Department by electronic
7 funds transfer. The term "annual tax liability" shall be the
8 sum of the taxpayer's liabilities under this Act, and under all
9 other State and local occupation and use tax laws administered
10 by the Department, for the immediately preceding calendar year.
11 The term "average monthly tax liability" shall be the sum of
12 the taxpayer's liabilities under this Act, and under all other
13 State and local occupation and use tax laws administered by the
14 Department, for the immediately preceding calendar year
15 divided by 12. Beginning on October 1, 2002, a taxpayer who has
16 a tax liability in the amount set forth in subsection (b) of
17 Section 2505-210 of the Department of Revenue Law shall make
18 all payments required by rules of the Department by electronic
19 funds transfer.

20 Before August 1 of each year beginning in 1993, the
21 Department shall notify all taxpayers required to make payments
22 by electronic funds transfer. All taxpayers required to make
23 payments by electronic funds transfer shall make those payments
24 for a minimum of one year beginning on October 1.

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those payments
5 in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to
7 effectuate a program of electronic funds transfer and the
8 requirements of this Section.

9 Any amount which is required to be shown or reported on any
10 return or other document under this Act shall, if such amount
11 is not a whole-dollar amount, be increased to the nearest
12 whole-dollar amount in any case where the fractional part of a
13 dollar is 50 cents or more, and decreased to the nearest
14 whole-dollar amount where the fractional part of a dollar is
15 less than 50 cents.

16 If the retailer is otherwise required to file a monthly
17 return and if the retailer's average monthly tax liability to
18 the Department does not exceed \$200, the Department may
19 authorize his returns to be filed on a quarter annual basis,
20 with the return for January, February and March of a given year
21 being due by April 20 of such year; with the return for April,
22 May and June of a given year being due by July 20 of such year;
23 with the return for July, August and September of a given year
24 being due by October 20 of such year, and with the return for
25 October, November and December of a given year being due by
26 January 20 of the following year.

1 If the retailer is otherwise required to file a monthly or
2 quarterly return and if the retailer's average monthly tax
3 liability with the Department does not exceed \$50, the
4 Department may authorize his returns to be filed on an annual
5 basis, with the return for a given year being due by January 20
6 of the following year.

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as monthly
9 returns.

10 Notwithstanding any other provision in this Act concerning
11 the time within which a retailer may file his return, in the
12 case of any retailer who ceases to engage in a kind of business
13 which makes him responsible for filing returns under this Act,
14 such retailer shall file a final return under this Act with the
15 Department not more than one month after discontinuing such
16 business.

17 Where the same person has more than one business registered
18 with the Department under separate registrations under this
19 Act, such person may not file each return that is due as a
20 single return covering all such registered businesses, but
21 shall file separate returns for each such registered business.

22 In addition, with respect to motor vehicles, watercraft,
23 aircraft, and trailers that are required to be registered with
24 an agency of this State, except as otherwise provided in this
25 Section, every retailer selling this kind of tangible personal
26 property shall file, with the Department, upon a form to be

1 prescribed and supplied by the Department, a separate return
2 for each such item of tangible personal property which the
3 retailer sells, except that if, in the same transaction, (i) a
4 retailer of aircraft, watercraft, motor vehicles or trailers
5 transfers more than one aircraft, watercraft, motor vehicle or
6 trailer to another aircraft, watercraft, motor vehicle
7 retailer or trailer retailer for the purpose of resale or (ii)
8 a retailer of aircraft, watercraft, motor vehicles, or trailers
9 transfers more than one aircraft, watercraft, motor vehicle, or
10 trailer to a purchaser for use as a qualifying rolling stock as
11 provided in Section 2-5 of this Act, then that seller may
12 report the transfer of all aircraft, watercraft, motor vehicles
13 or trailers involved in that transaction to the Department on
14 the same uniform invoice-transaction reporting return form.
15 For purposes of this Section, "watercraft" means a Class 2,
16 Class 3, or Class 4 watercraft as defined in Section 3-2 of the
17 Boat Registration and Safety Act, a personal watercraft, or any
18 boat equipped with an inboard motor.

19 In addition, with respect to motor vehicles, watercraft,
20 aircraft, and trailers that are required to be registered with
21 an agency of this State, every person who is engaged in the
22 business of leasing or renting such items and who, in
23 connection with such business, sells any such item to a
24 retailer for the purpose of resale is, notwithstanding any
25 other provision of this Section to the contrary, authorized to
26 meet the return-filing requirement of this Act by reporting the

1 transfer of all the aircraft, watercraft, motor vehicles, or
2 trailers transferred for resale during a month to the
3 Department on the same uniform invoice-transaction reporting
4 return form on or before the 20th day of the month following
5 the month in which the transfer takes place. Notwithstanding
6 any other provision of this Act to the contrary, all returns
7 filed under this paragraph must be filed by electronic means in
8 the manner and form as required by the Department.

9 Any retailer who sells only motor vehicles, watercraft,
10 aircraft, or trailers that are required to be registered with
11 an agency of this State, so that all retailers' occupation tax
12 liability is required to be reported, and is reported, on such
13 transaction reporting returns and who is not otherwise required
14 to file monthly or quarterly returns, need not file monthly or
15 quarterly returns. However, those retailers shall be required
16 to file returns on an annual basis.

17 The transaction reporting return, in the case of motor
18 vehicles or trailers that are required to be registered with an
19 agency of this State, shall be the same document as the Uniform
20 Invoice referred to in Section 5-402 of The Illinois Vehicle
21 Code and must show the name and address of the seller; the name
22 and address of the purchaser; the amount of the selling price
23 including the amount allowed by the retailer for traded-in
24 property, if any; the amount allowed by the retailer for the
25 traded-in tangible personal property, if any, to the extent to
26 which Section 1 of this Act allows an exemption for the value

1 of traded-in property; the balance payable after deducting such
2 trade-in allowance from the total selling price; the amount of
3 tax due from the retailer with respect to such transaction; the
4 amount of tax collected from the purchaser by the retailer on
5 such transaction (or satisfactory evidence that such tax is not
6 due in that particular instance, if that is claimed to be the
7 fact); the place and date of the sale; a sufficient
8 identification of the property sold; such other information as
9 is required in Section 5-402 of The Illinois Vehicle Code, and
10 such other information as the Department may reasonably
11 require.

12 The transaction reporting return in the case of watercraft
13 or aircraft must show the name and address of the seller; the
14 name and address of the purchaser; the amount of the selling
15 price including the amount allowed by the retailer for
16 traded-in property, if any; the amount allowed by the retailer
17 for the traded-in tangible personal property, if any, to the
18 extent to which Section 1 of this Act allows an exemption for
19 the value of traded-in property; the balance payable after
20 deducting such trade-in allowance from the total selling price;
21 the amount of tax due from the retailer with respect to such
22 transaction; the amount of tax collected from the purchaser by
23 the retailer on such transaction (or satisfactory evidence that
24 such tax is not due in that particular instance, if that is
25 claimed to be the fact); the place and date of the sale, a
26 sufficient identification of the property sold, and such other

1 information as the Department may reasonably require.

2 Such transaction reporting return shall be filed not later
3 than 20 days after the day of delivery of the item that is
4 being sold, but may be filed by the retailer at any time sooner
5 than that if he chooses to do so. The transaction reporting
6 return and tax remittance or proof of exemption from the
7 Illinois use tax may be transmitted to the Department by way of
8 the State agency with which, or State officer with whom the
9 tangible personal property must be titled or registered (if
10 titling or registration is required) if the Department and such
11 agency or State officer determine that this procedure will
12 expedite the processing of applications for title or
13 registration.

14 With each such transaction reporting return, the retailer
15 shall remit the proper amount of tax due (or shall submit
16 satisfactory evidence that the sale is not taxable if that is
17 the case), to the Department or its agents, whereupon the
18 Department shall issue, in the purchaser's name, a use tax
19 receipt (or a certificate of exemption if the Department is
20 satisfied that the particular sale is tax exempt) which such
21 purchaser may submit to the agency with which, or State officer
22 with whom, he must title or register the tangible personal
23 property that is involved (if titling or registration is
24 required) in support of such purchaser's application for an
25 Illinois certificate or other evidence of title or registration
26 to such tangible personal property.

1 No retailer's failure or refusal to remit tax under this
2 Act precludes a user, who has paid the proper tax to the
3 retailer, from obtaining his certificate of title or other
4 evidence of title or registration (if titling or registration
5 is required) upon satisfying the Department that such user has
6 paid the proper tax (if tax is due) to the retailer. The
7 Department shall adopt appropriate rules to carry out the
8 mandate of this paragraph.

9 If the user who would otherwise pay tax to the retailer
10 wants the transaction reporting return filed and the payment of
11 the tax or proof of exemption made to the Department before the
12 retailer is willing to take these actions and such user has not
13 paid the tax to the retailer, such user may certify to the fact
14 of such delay by the retailer and may (upon the Department
15 being satisfied of the truth of such certification) transmit
16 the information required by the transaction reporting return
17 and the remittance for tax or proof of exemption directly to
18 the Department and obtain his tax receipt or exemption
19 determination, in which event the transaction reporting return
20 and tax remittance (if a tax payment was required) shall be
21 credited by the Department to the proper retailer's account
22 with the Department, but without the 2.1% or 1.75% discount
23 provided for in this Section being allowed. When the user pays
24 the tax directly to the Department, he shall pay the tax in the
25 same amount and in the same form in which it would be remitted
26 if the tax had been remitted to the Department by the retailer.

1 Refunds made by the seller during the preceding return
2 period to purchasers, on account of tangible personal property
3 returned to the seller, shall be allowed as a deduction under
4 subdivision 5 of his monthly or quarterly return, as the case
5 may be, in case the seller had theretofore included the
6 receipts from the sale of such tangible personal property in a
7 return filed by him and had paid the tax imposed by this Act
8 with respect to such receipts.

9 Where the seller is a corporation, the return filed on
10 behalf of such corporation shall be signed by the president,
11 vice-president, secretary or treasurer or by the properly
12 accredited agent of such corporation.

13 Where the seller is a limited liability company, the return
14 filed on behalf of the limited liability company shall be
15 signed by a manager, member, or properly accredited agent of
16 the limited liability company.

17 Except as provided in this Section, the retailer filing the
18 return under this Section shall, at the time of filing such
19 return, pay to the Department the amount of tax imposed by this
20 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
21 on and after January 1, 1990, or \$5 per calendar year,
22 whichever is greater, which is allowed to reimburse the
23 retailer for the expenses incurred in keeping records,
24 preparing and filing returns, remitting the tax and supplying
25 data to the Department on request. Any prepayment made pursuant
26 to Section 2d of this Act shall be included in the amount on

1 which such 2.1% or 1.75% discount is computed. In the case of
2 retailers who report and pay the tax on a transaction by
3 transaction basis, as provided in this Section, such discount
4 shall be taken with each such tax remittance instead of when
5 such retailer files his periodic return. The discount allowed
6 under this Section is allowed only for returns that are filed
7 in the manner required by this Act. The Department may disallow
8 the discount for retailers whose certificate of registration is
9 revoked at the time the return is filed, but only if the
10 Department's decision to revoke the certificate of
11 registration has become final.

12 Before October 1, 2000, if the taxpayer's average monthly
13 tax liability to the Department under this Act, the Use Tax
14 Act, the Service Occupation Tax Act, and the Service Use Tax
15 Act, excluding any liability for prepaid sales tax to be
16 remitted in accordance with Section 2d of this Act, was \$10,000
17 or more during the preceding 4 complete calendar quarters, he
18 shall file a return with the Department each month by the 20th
19 day of the month next following the month during which such tax
20 liability is incurred and shall make payments to the Department
21 on or before the 7th, 15th, 22nd and last day of the month
22 during which such liability is incurred. On and after October
23 1, 2000, if the taxpayer's average monthly tax liability to the
24 Department under this Act, the Use Tax Act, the Service
25 Occupation Tax Act, and the Service Use Tax Act, excluding any
26 liability for prepaid sales tax to be remitted in accordance

1 with Section 2d of this Act, was \$20,000 or more during the
2 preceding 4 complete calendar quarters, he shall file a return
3 with the Department each month by the 20th day of the month
4 next following the month during which such tax liability is
5 incurred and shall make payment to the Department on or before
6 the 7th, 15th, 22nd and last day of the month during which such
7 liability is incurred. If the month during which such tax
8 liability is incurred began prior to January 1, 1985, each
9 payment shall be in an amount equal to 1/4 of the taxpayer's
10 actual liability for the month or an amount set by the
11 Department not to exceed 1/4 of the average monthly liability
12 of the taxpayer to the Department for the preceding 4 complete
13 calendar quarters (excluding the month of highest liability and
14 the month of lowest liability in such 4 quarter period). If the
15 month during which such tax liability is incurred begins on or
16 after January 1, 1985 and prior to January 1, 1987, each
17 payment shall be in an amount equal to 22.5% of the taxpayer's
18 actual liability for the month or 27.5% of the taxpayer's
19 liability for the same calendar month of the preceding year. If
20 the month during which such tax liability is incurred begins on
21 or after January 1, 1987 and prior to January 1, 1988, each
22 payment shall be in an amount equal to 22.5% of the taxpayer's
23 actual liability for the month or 26.25% of the taxpayer's
24 liability for the same calendar month of the preceding year. If
25 the month during which such tax liability is incurred begins on
26 or after January 1, 1988, and prior to January 1, 1989, or

1 begins on or after January 1, 1996, each payment shall be in an
2 amount equal to 22.5% of the taxpayer's actual liability for
3 the month or 25% of the taxpayer's liability for the same
4 calendar month of the preceding year. If the month during which
5 such tax liability is incurred begins on or after January 1,
6 1989, and prior to January 1, 1996, each payment shall be in an
7 amount equal to 22.5% of the taxpayer's actual liability for
8 the month or 25% of the taxpayer's liability for the same
9 calendar month of the preceding year or 100% of the taxpayer's
10 actual liability for the quarter monthly reporting period. The
11 amount of such quarter monthly payments shall be credited
12 against the final tax liability of the taxpayer's return for
13 that month. Before October 1, 2000, once applicable, the
14 requirement of the making of quarter monthly payments to the
15 Department by taxpayers having an average monthly tax liability
16 of \$10,000 or more as determined in the manner provided above
17 shall continue until such taxpayer's average monthly liability
18 to the Department during the preceding 4 complete calendar
19 quarters (excluding the month of highest liability and the
20 month of lowest liability) is less than \$9,000, or until such
21 taxpayer's average monthly liability to the Department as
22 computed for each calendar quarter of the 4 preceding complete
23 calendar quarter period is less than \$10,000. However, if a
24 taxpayer can show the Department that a substantial change in
25 the taxpayer's business has occurred which causes the taxpayer
26 to anticipate that his average monthly tax liability for the

1 reasonably foreseeable future will fall below the \$10,000
2 threshold stated above, then such taxpayer may petition the
3 Department for a change in such taxpayer's reporting status. On
4 and after October 1, 2000, once applicable, the requirement of
5 the making of quarter monthly payments to the Department by
6 taxpayers having an average monthly tax liability of \$20,000 or
7 more as determined in the manner provided above shall continue
8 until such taxpayer's average monthly liability to the
9 Department during the preceding 4 complete calendar quarters
10 (excluding the month of highest liability and the month of
11 lowest liability) is less than \$19,000 or until such taxpayer's
12 average monthly liability to the Department as computed for
13 each calendar quarter of the 4 preceding complete calendar
14 quarter period is less than \$20,000. However, if a taxpayer can
15 show the Department that a substantial change in the taxpayer's
16 business has occurred which causes the taxpayer to anticipate
17 that his average monthly tax liability for the reasonably
18 foreseeable future will fall below the \$20,000 threshold stated
19 above, then such taxpayer may petition the Department for a
20 change in such taxpayer's reporting status. The Department
21 shall change such taxpayer's reporting status unless it finds
22 that such change is seasonal in nature and not likely to be
23 long term. If any such quarter monthly payment is not paid at
24 the time or in the amount required by this Section, then the
25 taxpayer shall be liable for penalties and interest on the
26 difference between the minimum amount due as a payment and the

1 amount of such quarter monthly payment actually and timely
2 paid, except insofar as the taxpayer has previously made
3 payments for that month to the Department in excess of the
4 minimum payments previously due as provided in this Section.
5 The Department shall make reasonable rules and regulations to
6 govern the quarter monthly payment amount and quarter monthly
7 payment dates for taxpayers who file on other than a calendar
8 monthly basis.

9 The provisions of this paragraph apply before October 1,
10 2001. Without regard to whether a taxpayer is required to make
11 quarter monthly payments as specified above, any taxpayer who
12 is required by Section 2d of this Act to collect and remit
13 prepaid taxes and has collected prepaid taxes which average in
14 excess of \$25,000 per month during the preceding 2 complete
15 calendar quarters, shall file a return with the Department as
16 required by Section 2f and shall make payments to the
17 Department on or before the 7th, 15th, 22nd and last day of the
18 month during which such liability is incurred. If the month
19 during which such tax liability is incurred began prior to
20 September 1, 1985 (the effective date of Public Act 84-221),
21 each payment shall be in an amount not less than 22.5% of the
22 taxpayer's actual liability under Section 2d. If the month
23 during which such tax liability is incurred begins on or after
24 January 1, 1986, each payment shall be in an amount equal to
25 22.5% of the taxpayer's actual liability for the month or 27.5%
26 of the taxpayer's liability for the same calendar month of the

1 preceding calendar year. If the month during which such tax
2 liability is incurred begins on or after January 1, 1987, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 26.25% of the taxpayer's
5 liability for the same calendar month of the preceding year.
6 The amount of such quarter monthly payments shall be credited
7 against the final tax liability of the taxpayer's return for
8 that month filed under this Section or Section 2f, as the case
9 may be. Once applicable, the requirement of the making of
10 quarter monthly payments to the Department pursuant to this
11 paragraph shall continue until such taxpayer's average monthly
12 prepaid tax collections during the preceding 2 complete
13 calendar quarters is \$25,000 or less. If any such quarter
14 monthly payment is not paid at the time or in the amount
15 required, the taxpayer shall be liable for penalties and
16 interest on such difference, except insofar as the taxpayer has
17 previously made payments for that month in excess of the
18 minimum payments previously due.

19 The provisions of this paragraph apply on and after October
20 1, 2001. Without regard to whether a taxpayer is required to
21 make quarter monthly payments as specified above, any taxpayer
22 who is required by Section 2d of this Act to collect and remit
23 prepaid taxes and has collected prepaid taxes that average in
24 excess of \$20,000 per month during the preceding 4 complete
25 calendar quarters shall file a return with the Department as
26 required by Section 2f and shall make payments to the

1 Department on or before the 7th, 15th, 22nd and last day of the
2 month during which the liability is incurred. Each payment
3 shall be in an amount equal to 22.5% of the taxpayer's actual
4 liability for the month or 25% of the taxpayer's liability for
5 the same calendar month of the preceding year. The amount of
6 the quarter monthly payments shall be credited against the
7 final tax liability of the taxpayer's return for that month
8 filed under this Section or Section 2f, as the case may be.
9 Once applicable, the requirement of the making of quarter
10 monthly payments to the Department pursuant to this paragraph
11 shall continue until the taxpayer's average monthly prepaid tax
12 collections during the preceding 4 complete calendar quarters
13 (excluding the month of highest liability and the month of
14 lowest liability) is less than \$19,000 or until such taxpayer's
15 average monthly liability to the Department as computed for
16 each calendar quarter of the 4 preceding complete calendar
17 quarters is less than \$20,000. If any such quarter monthly
18 payment is not paid at the time or in the amount required, the
19 taxpayer shall be liable for penalties and interest on such
20 difference, except insofar as the taxpayer has previously made
21 payments for that month in excess of the minimum payments
22 previously due.

23 If any payment provided for in this Section exceeds the
24 taxpayer's liabilities under this Act, the Use Tax Act, the
25 Service Occupation Tax Act and the Service Use Tax Act, as
26 shown on an original monthly return, the Department shall, if

1 requested by the taxpayer, issue to the taxpayer a credit
2 memorandum no later than 30 days after the date of payment. The
3 credit evidenced by such credit memorandum may be assigned by
4 the taxpayer to a similar taxpayer under this Act, the Use Tax
5 Act, the Service Occupation Tax Act or the Service Use Tax Act,
6 in accordance with reasonable rules and regulations to be
7 prescribed by the Department. If no such request is made, the
8 taxpayer may credit such excess payment against tax liability
9 subsequently to be remitted to the Department under this Act,
10 the Use Tax Act, the Service Occupation Tax Act or the Service
11 Use Tax Act, in accordance with reasonable rules and
12 regulations prescribed by the Department. If the Department
13 subsequently determined that all or any part of the credit
14 taken was not actually due to the taxpayer, the taxpayer's 2.1%
15 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
16 of the difference between the credit taken and that actually
17 due, and that taxpayer shall be liable for penalties and
18 interest on such difference.

19 If a retailer of motor fuel is entitled to a credit under
20 Section 2d of this Act which exceeds the taxpayer's liability
21 to the Department under this Act for the month which the
22 taxpayer is filing a return, the Department shall issue the
23 taxpayer a credit memorandum for the excess.

24 Beginning January 1, 1990, each month the Department shall
25 pay into the Local Government Tax Fund, a special fund in the
26 State treasury which is hereby created, the net revenue

1 realized for the preceding month from the 1% tax imposed under
2 this Act ~~on sales of food for human consumption which is to be~~
3 ~~consumed off the premises where it is sold (other than~~
4 ~~alcoholic beverages, soft drinks and food which has been~~
5 ~~prepared for immediate consumption) and prescription and~~
6 ~~nonprescription medicines, drugs, medical appliances, products~~
7 ~~classified as Class III medical devices by the United States~~
8 ~~Food and Drug Administration that are used for cancer treatment~~
9 ~~pursuant to a prescription, as well as any accessories and~~
10 ~~components related to those devices, and insulin, urine testing~~
11 ~~materials, syringes and needles used by diabetics.~~

12 Beginning January 1, 1990, each month the Department shall
13 pay into the County and Mass Transit District Fund, a special
14 fund in the State treasury which is hereby created, 4% of the
15 net revenue realized for the preceding month from the 6.25%
16 general rate.

17 Beginning August 1, 2000, each month the Department shall
18 pay into the County and Mass Transit District Fund 20% of the
19 net revenue realized for the preceding month from the 1.25%
20 rate on the selling price of motor fuel and gasohol. Beginning
21 September 1, 2010, each month the Department shall pay into the
22 County and Mass Transit District Fund 20% of the net revenue
23 realized for the preceding month from the 1.25% rate on the
24 selling price of sales tax holiday items.

25 Beginning January 1, 1990, each month the Department shall
26 pay into the Local Government Tax Fund 16% of the net revenue

1 realized for the preceding month from the 6.25% general rate on
2 the selling price of tangible personal property.

3 Beginning August 1, 2000, each month the Department shall
4 pay into the Local Government Tax Fund 80% of the net revenue
5 realized for the preceding month from the 1.25% rate on the
6 selling price of motor fuel and gasohol. Beginning September 1,
7 2010, each month the Department shall pay into the Local
8 Government Tax Fund 80% of the net revenue realized for the
9 preceding month from the 1.25% rate on the selling price of
10 sales tax holiday items.

11 Beginning October 1, 2009, each month the Department shall
12 pay into the Capital Projects Fund an amount that is equal to
13 an amount estimated by the Department to represent 80% of the
14 net revenue realized for the preceding month from the sale of
15 candy, grooming and hygiene products, and soft drinks that had
16 been taxed at a rate of 1% prior to September 1, 2009 but that
17 are now taxed at 6.25%.

18 Beginning July 1, 2011, each month the Department shall pay
19 into the Clean Air Act Permit Fund 80% of the net revenue
20 realized for the preceding month from the 6.25% general rate on
21 the selling price of sorbents used in Illinois in the process
22 of sorbent injection as used to comply with the Environmental
23 Protection Act or the federal Clean Air Act, but the total
24 payment into the Clean Air Act Permit Fund under this Act and
25 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

26 Beginning July 1, 2013, each month the Department shall pay

1 into the Underground Storage Tank Fund from the proceeds
2 collected under this Act, the Use Tax Act, the Service Use Tax
3 Act, and the Service Occupation Tax Act an amount equal to the
4 average monthly deficit in the Underground Storage Tank Fund
5 during the prior year, as certified annually by the Illinois
6 Environmental Protection Agency, but the total payment into the
7 Underground Storage Tank Fund under this Act, the Use Tax Act,
8 the Service Use Tax Act, and the Service Occupation Tax Act
9 shall not exceed \$18,000,000 in any State fiscal year. As used
10 in this paragraph, the "average monthly deficit" shall be equal
11 to the difference between the average monthly claims for
12 payment by the fund and the average monthly revenues deposited
13 into the fund, excluding payments made pursuant to this
14 paragraph.

15 Beginning July 1, 2015, of the remainder of the moneys
16 received by the Department under the Use Tax Act, the Service
17 Use Tax Act, the Service Occupation Tax Act, and this Act, each
18 month the Department shall deposit \$500,000 into the State
19 Crime Laboratory Fund.

20 Of the remainder of the moneys received by the Department
21 pursuant to this Act, (a) 1.75% thereof shall be paid into the
22 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
23 and after July 1, 1989, 3.8% thereof shall be paid into the
24 Build Illinois Fund; provided, however, that if in any fiscal
25 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
26 may be, of the moneys received by the Department and required

1 to be paid into the Build Illinois Fund pursuant to this Act,
2 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
3 Act, and Section 9 of the Service Occupation Tax Act, such Acts
4 being hereinafter called the "Tax Acts" and such aggregate of
5 2.2% or 3.8%, as the case may be, of moneys being hereinafter
6 called the "Tax Act Amount", and (2) the amount transferred to
7 the Build Illinois Fund from the State and Local Sales Tax
8 Reform Fund shall be less than the Annual Specified Amount (as
9 hereinafter defined), an amount equal to the difference shall
10 be immediately paid into the Build Illinois Fund from other
11 moneys received by the Department pursuant to the Tax Acts; the
12 "Annual Specified Amount" means the amounts specified below for
13 fiscal years 1986 through 1993:

14	Fiscal Year	Annual Specified Amount
15	1986	\$54,800,000
16	1987	\$76,650,000
17	1988	\$80,480,000
18	1989	\$88,510,000
19	1990	\$115,330,000
20	1991	\$145,470,000
21	1992	\$182,730,000
22	1993	\$206,520,000;

23 and means the Certified Annual Debt Service Requirement (as
24 defined in Section 13 of the Build Illinois Bond Act) or the
25 Tax Act Amount, whichever is greater, for fiscal year 1994 and
26 each fiscal year thereafter; and further provided, that if on

1 the last business day of any month the sum of (1) the Tax Act
2 Amount required to be deposited into the Build Illinois Bond
3 Account in the Build Illinois Fund during such month and (2)
4 the amount transferred to the Build Illinois Fund from the
5 State and Local Sales Tax Reform Fund shall have been less than
6 1/12 of the Annual Specified Amount, an amount equal to the
7 difference shall be immediately paid into the Build Illinois
8 Fund from other moneys received by the Department pursuant to
9 the Tax Acts; and, further provided, that in no event shall the
10 payments required under the preceding proviso result in
11 aggregate payments into the Build Illinois Fund pursuant to
12 this clause (b) for any fiscal year in excess of the greater of
13 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
14 such fiscal year. The amounts payable into the Build Illinois
15 Fund under clause (b) of the first sentence in this paragraph
16 shall be payable only until such time as the aggregate amount
17 on deposit under each trust indenture securing Bonds issued and
18 outstanding pursuant to the Build Illinois Bond Act is
19 sufficient, taking into account any future investment income,
20 to fully provide, in accordance with such indenture, for the
21 defeasance of or the payment of the principal of, premium, if
22 any, and interest on the Bonds secured by such indenture and on
23 any Bonds expected to be issued thereafter and all fees and
24 costs payable with respect thereto, all as certified by the
25 Director of the Bureau of the Budget (now Governor's Office of
26 Management and Budget). If on the last business day of any

1 month in which Bonds are outstanding pursuant to the Build
2 Illinois Bond Act, the aggregate of moneys deposited in the
3 Build Illinois Bond Account in the Build Illinois Fund in such
4 month shall be less than the amount required to be transferred
5 in such month from the Build Illinois Bond Account to the Build
6 Illinois Bond Retirement and Interest Fund pursuant to Section
7 13 of the Build Illinois Bond Act, an amount equal to such
8 deficiency shall be immediately paid from other moneys received
9 by the Department pursuant to the Tax Acts to the Build
10 Illinois Fund; provided, however, that any amounts paid to the
11 Build Illinois Fund in any fiscal year pursuant to this
12 sentence shall be deemed to constitute payments pursuant to
13 clause (b) of the first sentence of this paragraph and shall
14 reduce the amount otherwise payable for such fiscal year
15 pursuant to that clause (b). The moneys received by the
16 Department pursuant to this Act and required to be deposited
17 into the Build Illinois Fund are subject to the pledge, claim
18 and charge set forth in Section 12 of the Build Illinois Bond
19 Act.

20 Subject to payment of amounts into the Build Illinois Fund
21 as provided in the preceding paragraph or in any amendment
22 thereto hereafter enacted, the following specified monthly
23 installment of the amount requested in the certificate of the
24 Chairman of the Metropolitan Pier and Exposition Authority
25 provided under Section 8.25f of the State Finance Act, but not
26 in excess of sums designated as "Total Deposit", shall be

1 deposited in the aggregate from collections under Section 9 of
2 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
3 9 of the Service Occupation Tax Act, and Section 3 of the
4 Retailers' Occupation Tax Act into the McCormick Place
5 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
6		
7	1993	\$0
8	1994	53,000,000
9	1995	58,000,000
10	1996	61,000,000
11	1997	64,000,000
12	1998	68,000,000
13	1999	71,000,000
14	2000	75,000,000
15	2001	80,000,000
16	2002	93,000,000
17	2003	99,000,000
18	2004	103,000,000
19	2005	108,000,000
20	2006	113,000,000
21	2007	119,000,000
22	2008	126,000,000
23	2009	132,000,000
24	2010	139,000,000
25	2011	146,000,000

1	2012	153,000,000
2	2013	161,000,000
3	2014	170,000,000
4	2015	179,000,000
5	2016	189,000,000
6	2017	199,000,000
7	2018	210,000,000
8	2019	221,000,000
9	2020	233,000,000
10	2021	246,000,000
11	2022	260,000,000
12	2023	275,000,000
13	2024	275,000,000
14	2025	275,000,000
15	2026	279,000,000
16	2027	292,000,000
17	2028	307,000,000
18	2029	322,000,000
19	2030	338,000,000
20	2031	350,000,000
21	2032	350,000,000

22 and
23 each fiscal year
24 thereafter that bonds
25 are outstanding under
26 Section 13.2 of the

1 Metropolitan Pier and
2 Exposition Authority Act,
3 but not after fiscal year 2060.

4 Beginning July 20, 1993 and in each month of each fiscal
5 year thereafter, one-eighth of the amount requested in the
6 certificate of the Chairman of the Metropolitan Pier and
7 Exposition Authority for that fiscal year, less the amount
8 deposited into the McCormick Place Expansion Project Fund by
9 the State Treasurer in the respective month under subsection
10 (g) of Section 13 of the Metropolitan Pier and Exposition
11 Authority Act, plus cumulative deficiencies in the deposits
12 required under this Section for previous months and years,
13 shall be deposited into the McCormick Place Expansion Project
14 Fund, until the full amount requested for the fiscal year, but
15 not in excess of the amount specified above as "Total Deposit",
16 has been deposited.

17 Subject to payment of amounts into the Build Illinois Fund
18 and the McCormick Place Expansion Project Fund pursuant to the
19 preceding paragraphs or in any amendments thereto hereafter
20 enacted, beginning July 1, 1993 and ending on September 30,
21 2013, the Department shall each month pay into the Illinois Tax
22 Increment Fund 0.27% of 80% of the net revenue realized for the
23 preceding month from the 6.25% general rate on the selling
24 price of tangible personal property.

25 Subject to payment of amounts into the Build Illinois Fund
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter
2 enacted, beginning with the receipt of the first report of
3 taxes paid by an eligible business and continuing for a 25-year
4 period, the Department shall each month pay into the Energy
5 Infrastructure Fund 80% of the net revenue realized from the
6 6.25% general rate on the selling price of Illinois-mined coal
7 that was sold to an eligible business. For purposes of this
8 paragraph, the term "eligible business" means a new electric
9 generating facility certified pursuant to Section 605-332 of
10 the Department of Commerce and Economic Opportunity Law of the
11 Civil Administrative Code of Illinois.

12 Subject to payment of amounts into the Build Illinois Fund,
13 the McCormick Place Expansion Project Fund, the Illinois Tax
14 Increment Fund, and the Energy Infrastructure Fund pursuant to
15 the preceding paragraphs or in any amendments to this Section
16 hereafter enacted, beginning on the first day of the first
17 calendar month to occur on or after August 26, 2014 (the
18 effective date of Public Act 98-1098), each month, from the
19 collections made under Section 9 of the Use Tax Act, Section 9
20 of the Service Use Tax Act, Section 9 of the Service Occupation
21 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
22 the Department shall pay into the Tax Compliance and
23 Administration Fund, to be used, subject to appropriation, to
24 fund additional auditors and compliance personnel at the
25 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
26 the cash receipts collected during the preceding fiscal year by

1 the Audit Bureau of the Department under the Use Tax Act, the
2 Service Use Tax Act, the Service Occupation Tax Act, the
3 Retailers' Occupation Tax Act, and associated local occupation
4 and use taxes administered by the Department.

5 Of the remainder of the moneys received by the Department
6 pursuant to this Act, 75% thereof shall be paid into the State
7 Treasury and 25% shall be reserved in a special account and
8 used only for the transfer to the Common School Fund as part of
9 the monthly transfer from the General Revenue Fund in
10 accordance with Section 8a of the State Finance Act.

11 The Department may, upon separate written notice to a
12 taxpayer, require the taxpayer to prepare and file with the
13 Department on a form prescribed by the Department within not
14 less than 60 days after receipt of the notice an annual
15 information return for the tax year specified in the notice.
16 Such annual return to the Department shall include a statement
17 of gross receipts as shown by the retailer's last Federal
18 income tax return. If the total receipts of the business as
19 reported in the Federal income tax return do not agree with the
20 gross receipts reported to the Department of Revenue for the
21 same period, the retailer shall attach to his annual return a
22 schedule showing a reconciliation of the 2 amounts and the
23 reasons for the difference. The retailer's annual return to the
24 Department shall also disclose the cost of goods sold by the
25 retailer during the year covered by such return, opening and
26 closing inventories of such goods for such year, costs of goods

1 used from stock or taken from stock and given away by the
2 retailer during such year, payroll information of the
3 retailer's business during such year and any additional
4 reasonable information which the Department deems would be
5 helpful in determining the accuracy of the monthly, quarterly
6 or annual returns filed by such retailer as provided for in
7 this Section.

8 If the annual information return required by this Section
9 is not filed when and as required, the taxpayer shall be liable
10 as follows:

11 (i) Until January 1, 1994, the taxpayer shall be liable
12 for a penalty equal to 1/6 of 1% of the tax due from such
13 taxpayer under this Act during the period to be covered by
14 the annual return for each month or fraction of a month
15 until such return is filed as required, the penalty to be
16 assessed and collected in the same manner as any other
17 penalty provided for in this Act.

18 (ii) On and after January 1, 1994, the taxpayer shall
19 be liable for a penalty as described in Section 3-4 of the
20 Uniform Penalty and Interest Act.

21 The chief executive officer, proprietor, owner or highest
22 ranking manager shall sign the annual return to certify the
23 accuracy of the information contained therein. Any person who
24 willfully signs the annual return containing false or
25 inaccurate information shall be guilty of perjury and punished
26 accordingly. The annual return form prescribed by the

1 Department shall include a warning that the person signing the
2 return may be liable for perjury.

3 The provisions of this Section concerning the filing of an
4 annual information return do not apply to a retailer who is not
5 required to file an income tax return with the United States
6 Government.

7 As soon as possible after the first day of each month, upon
8 certification of the Department of Revenue, the Comptroller
9 shall order transferred and the Treasurer shall transfer from
10 the General Revenue Fund to the Motor Fuel Tax Fund an amount
11 equal to 1.7% of 80% of the net revenue realized under this Act
12 for the second preceding month. Beginning April 1, 2000, this
13 transfer is no longer required and shall not be made.

14 Net revenue realized for a month shall be the revenue
15 collected by the State pursuant to this Act, less the amount
16 paid out during that month as refunds to taxpayers for
17 overpayment of liability.

18 For greater simplicity of administration, manufacturers,
19 importers and wholesalers whose products are sold at retail in
20 Illinois by numerous retailers, and who wish to do so, may
21 assume the responsibility for accounting and paying to the
22 Department all tax accruing under this Act with respect to such
23 sales, if the retailers who are affected do not make written
24 objection to the Department to this arrangement.

25 Any person who promotes, organizes, provides retail
26 selling space for concessionaires or other types of sellers at

1 the Illinois State Fair, DuQuoin State Fair, county fairs,
2 local fairs, art shows, flea markets and similar exhibitions or
3 events, including any transient merchant as defined by Section
4 2 of the Transient Merchant Act of 1987, is required to file a
5 report with the Department providing the name of the merchant's
6 business, the name of the person or persons engaged in
7 merchant's business, the permanent address and Illinois
8 Retailers Occupation Tax Registration Number of the merchant,
9 the dates and location of the event and other reasonable
10 information that the Department may require. The report must be
11 filed not later than the 20th day of the month next following
12 the month during which the event with retail sales was held.
13 Any person who fails to file a report required by this Section
14 commits a business offense and is subject to a fine not to
15 exceed \$250.

16 Any person engaged in the business of selling tangible
17 personal property at retail as a concessionaire or other type
18 of seller at the Illinois State Fair, county fairs, art shows,
19 flea markets and similar exhibitions or events, or any
20 transient merchants, as defined by Section 2 of the Transient
21 Merchant Act of 1987, may be required to make a daily report of
22 the amount of such sales to the Department and to make a daily
23 payment of the full amount of tax due. The Department shall
24 impose this requirement when it finds that there is a
25 significant risk of loss of revenue to the State at such an
26 exhibition or event. Such a finding shall be based on evidence

1 that a substantial number of concessionaires or other sellers
2 who are not residents of Illinois will be engaging in the
3 business of selling tangible personal property at retail at the
4 exhibition or event, or other evidence of a significant risk of
5 loss of revenue to the State. The Department shall notify
6 concessionaires and other sellers affected by the imposition of
7 this requirement. In the absence of notification by the
8 Department, the concessionaires and other sellers shall file
9 their returns as otherwise required in this Section.

10 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
11 99-933, eff. 1-27-17; 100-303, eff. 8-24-17.)

12 (Text of Section after amendment by P.A. 100-363)

13 Sec. 3. Except as provided in this Section, on or before
14 the twentieth day of each calendar month, every person engaged
15 in the business of selling tangible personal property at retail
16 in this State during the preceding calendar month shall file a
17 return with the Department, stating:

18 1. The name of the seller;

19 2. His residence address and the address of his
20 principal place of business and the address of the
21 principal place of business (if that is a different
22 address) from which he engages in the business of selling
23 tangible personal property at retail in this State;

24 3. Total amount of receipts received by him during the
25 preceding calendar month or quarter, as the case may be,

1 from sales of tangible personal property, and from services
2 furnished, by him during such preceding calendar month or
3 quarter;

4 4. Total amount received by him during the preceding
5 calendar month or quarter on charge and time sales of
6 tangible personal property, and from services furnished,
7 by him prior to the month or quarter for which the return
8 is filed;

9 5. Deductions allowed by law;

10 6. Gross receipts which were received by him during the
11 preceding calendar month or quarter and upon the basis of
12 which the tax is imposed;

13 7. The amount of credit provided in Section 2d of this
14 Act;

15 8. The amount of tax due;

16 9. The signature of the taxpayer; and

17 10. Such other reasonable information as the
18 Department may require.

19 On and after January 1, 2018, except for returns for motor
20 vehicles, watercraft, aircraft, and trailers that are required
21 to be registered with an agency of this State, with respect to
22 retailers whose annual gross receipts average \$20,000 or more,
23 all returns required to be filed pursuant to this Act shall be
24 filed electronically. Retailers who demonstrate that they do
25 not have access to the Internet or demonstrate hardship in
26 filing electronically may petition the Department to waive the

1 electronic filing requirement.

2 If a taxpayer fails to sign a return within 30 days after
3 the proper notice and demand for signature by the Department,
4 the return shall be considered valid and any amount shown to be
5 due on the return shall be deemed assessed.

6 Each return shall be accompanied by the statement of
7 prepaid tax issued pursuant to Section 2e for which credit is
8 claimed.

9 Prior to October 1, 2003, and on and after September 1,
10 2004 a retailer may accept a Manufacturer's Purchase Credit
11 certification from a purchaser in satisfaction of Use Tax as
12 provided in Section 3-85 of the Use Tax Act if the purchaser
13 provides the appropriate documentation as required by Section
14 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
15 certification, accepted by a retailer prior to October 1, 2003
16 and on and after September 1, 2004 as provided in Section 3-85
17 of the Use Tax Act, may be used by that retailer to satisfy
18 Retailers' Occupation Tax liability in the amount claimed in
19 the certification, not to exceed 6.25% of the receipts subject
20 to tax from a qualifying purchase. A Manufacturer's Purchase
21 Credit reported on any original or amended return filed under
22 this Act after October 20, 2003 for reporting periods prior to
23 September 1, 2004 shall be disallowed. Manufacturer's
24 Purchaser Credit reported on annual returns due on or after
25 January 1, 2005 will be disallowed for periods prior to
26 September 1, 2004. No Manufacturer's Purchase Credit may be

1 used after September 30, 2003 through August 31, 2004 to
2 satisfy any tax liability imposed under this Act, including any
3 audit liability.

4 The Department may require returns to be filed on a
5 quarterly basis. If so required, a return for each calendar
6 quarter shall be filed on or before the twentieth day of the
7 calendar month following the end of such calendar quarter. The
8 taxpayer shall also file a return with the Department for each
9 of the first two months of each calendar quarter, on or before
10 the twentieth day of the following calendar month, stating:

- 11 1. The name of the seller;
- 12 2. The address of the principal place of business from
13 which he engages in the business of selling tangible
14 personal property at retail in this State;
- 15 3. The total amount of taxable receipts received by him
16 during the preceding calendar month from sales of tangible
17 personal property by him during such preceding calendar
18 month, including receipts from charge and time sales, but
19 less all deductions allowed by law;
- 20 4. The amount of credit provided in Section 2d of this
21 Act;
- 22 5. The amount of tax due; and
- 23 6. Such other reasonable information as the Department
24 may require.

25 Beginning on October 1, 2003, any person who is not a
26 licensed distributor, importing distributor, or manufacturer,

1 as defined in the Liquor Control Act of 1934, but is engaged in
2 the business of selling, at retail, alcoholic liquor shall file
3 a statement with the Department of Revenue, in a format and at
4 a time prescribed by the Department, showing the total amount
5 paid for alcoholic liquor purchased during the preceding month
6 and such other information as is reasonably required by the
7 Department. The Department may adopt rules to require that this
8 statement be filed in an electronic or telephonic format. Such
9 rules may provide for exceptions from the filing requirements
10 of this paragraph. For the purposes of this paragraph, the term
11 "alcoholic liquor" shall have the meaning prescribed in the
12 Liquor Control Act of 1934.

13 Beginning on October 1, 2003, every distributor, importing
14 distributor, and manufacturer of alcoholic liquor as defined in
15 the Liquor Control Act of 1934, shall file a statement with the
16 Department of Revenue, no later than the 10th day of the month
17 for the preceding month during which transactions occurred, by
18 electronic means, showing the total amount of gross receipts
19 from the sale of alcoholic liquor sold or distributed during
20 the preceding month to purchasers; identifying the purchaser to
21 whom it was sold or distributed; the purchaser's tax
22 registration number; and such other information reasonably
23 required by the Department. A distributor, importing
24 distributor, or manufacturer of alcoholic liquor must
25 personally deliver, mail, or provide by electronic means to
26 each retailer listed on the monthly statement a report

1 containing a cumulative total of that distributor's, importing
2 distributor's, or manufacturer's total sales of alcoholic
3 liquor to that retailer no later than the 10th day of the month
4 for the preceding month during which the transaction occurred.
5 The distributor, importing distributor, or manufacturer shall
6 notify the retailer as to the method by which the distributor,
7 importing distributor, or manufacturer will provide the sales
8 information. If the retailer is unable to receive the sales
9 information by electronic means, the distributor, importing
10 distributor, or manufacturer shall furnish the sales
11 information by personal delivery or by mail. For purposes of
12 this paragraph, the term "electronic means" includes, but is
13 not limited to, the use of a secure Internet website, e-mail,
14 or facsimile.

15 If a total amount of less than \$1 is payable, refundable or
16 creditable, such amount shall be disregarded if it is less than
17 50 cents and shall be increased to \$1 if it is 50 cents or more.

18 Beginning October 1, 1993, a taxpayer who has an average
19 monthly tax liability of \$150,000 or more shall make all
20 payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 1994, a taxpayer who has
22 an average monthly tax liability of \$100,000 or more shall make
23 all payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1995, a taxpayer who has
25 an average monthly tax liability of \$50,000 or more shall make
26 all payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 2000, a taxpayer who has
2 an annual tax liability of \$200,000 or more shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. The term "annual tax liability" shall be the
5 sum of the taxpayer's liabilities under this Act, and under all
6 other State and local occupation and use tax laws administered
7 by the Department, for the immediately preceding calendar year.
8 The term "average monthly tax liability" shall be the sum of
9 the taxpayer's liabilities under this Act, and under all other
10 State and local occupation and use tax laws administered by the
11 Department, for the immediately preceding calendar year
12 divided by 12. Beginning on October 1, 2002, a taxpayer who has
13 a tax liability in the amount set forth in subsection (b) of
14 Section 2505-210 of the Department of Revenue Law shall make
15 all payments required by rules of the Department by electronic
16 funds transfer.

17 Before August 1 of each year beginning in 1993, the
18 Department shall notify all taxpayers required to make payments
19 by electronic funds transfer. All taxpayers required to make
20 payments by electronic funds transfer shall make those payments
21 for a minimum of one year beginning on October 1.

22 Any taxpayer not required to make payments by electronic
23 funds transfer may make payments by electronic funds transfer
24 with the permission of the Department.

25 All taxpayers required to make payment by electronic funds
26 transfer and any taxpayers authorized to voluntarily make

1 payments by electronic funds transfer shall make those payments
2 in the manner authorized by the Department.

3 The Department shall adopt such rules as are necessary to
4 effectuate a program of electronic funds transfer and the
5 requirements of this Section.

6 Any amount which is required to be shown or reported on any
7 return or other document under this Act shall, if such amount
8 is not a whole-dollar amount, be increased to the nearest
9 whole-dollar amount in any case where the fractional part of a
10 dollar is 50 cents or more, and decreased to the nearest
11 whole-dollar amount where the fractional part of a dollar is
12 less than 50 cents.

13 If the retailer is otherwise required to file a monthly
14 return and if the retailer's average monthly tax liability to
15 the Department does not exceed \$200, the Department may
16 authorize his returns to be filed on a quarter annual basis,
17 with the return for January, February and March of a given year
18 being due by April 20 of such year; with the return for April,
19 May and June of a given year being due by July 20 of such year;
20 with the return for July, August and September of a given year
21 being due by October 20 of such year, and with the return for
22 October, November and December of a given year being due by
23 January 20 of the following year.

24 If the retailer is otherwise required to file a monthly or
25 quarterly return and if the retailer's average monthly tax
26 liability with the Department does not exceed \$50, the

1 Department may authorize his returns to be filed on an annual
2 basis, with the return for a given year being due by January 20
3 of the following year.

4 Such quarter annual and annual returns, as to form and
5 substance, shall be subject to the same requirements as monthly
6 returns.

7 Notwithstanding any other provision in this Act concerning
8 the time within which a retailer may file his return, in the
9 case of any retailer who ceases to engage in a kind of business
10 which makes him responsible for filing returns under this Act,
11 such retailer shall file a final return under this Act with the
12 Department not more than one month after discontinuing such
13 business.

14 Where the same person has more than one business registered
15 with the Department under separate registrations under this
16 Act, such person may not file each return that is due as a
17 single return covering all such registered businesses, but
18 shall file separate returns for each such registered business.

19 In addition, with respect to motor vehicles, watercraft,
20 aircraft, and trailers that are required to be registered with
21 an agency of this State, every retailer selling this kind of
22 tangible personal property shall file, with the Department,
23 upon a form to be prescribed and supplied by the Department, a
24 separate return for each such item of tangible personal
25 property which the retailer sells, except that if, in the same
26 transaction, (i) a retailer of aircraft, watercraft, motor

1 vehicles or trailers transfers more than one aircraft,
2 watercraft, motor vehicle or trailer to another aircraft,
3 watercraft, motor vehicle retailer or trailer retailer for the
4 purpose of resale or (ii) a retailer of aircraft, watercraft,
5 motor vehicles, or trailers transfers more than one aircraft,
6 watercraft, motor vehicle, or trailer to a purchaser for use as
7 a qualifying rolling stock as provided in Section 2-5 of this
8 Act, then that seller may report the transfer of all aircraft,
9 watercraft, motor vehicles or trailers involved in that
10 transaction to the Department on the same uniform
11 invoice-transaction reporting return form. For purposes of
12 this Section, "watercraft" means a Class 2, Class 3, or Class 4
13 watercraft as defined in Section 3-2 of the Boat Registration
14 and Safety Act, a personal watercraft, or any boat equipped
15 with an inboard motor.

16 Any retailer who sells only motor vehicles, watercraft,
17 aircraft, or trailers that are required to be registered with
18 an agency of this State, so that all retailers' occupation tax
19 liability is required to be reported, and is reported, on such
20 transaction reporting returns and who is not otherwise required
21 to file monthly or quarterly returns, need not file monthly or
22 quarterly returns. However, those retailers shall be required
23 to file returns on an annual basis.

24 The transaction reporting return, in the case of motor
25 vehicles or trailers that are required to be registered with an
26 agency of this State, shall be the same document as the Uniform

1 Invoice referred to in Section 5-402 of The Illinois Vehicle
2 Code and must show the name and address of the seller; the name
3 and address of the purchaser; the amount of the selling price
4 including the amount allowed by the retailer for traded-in
5 property, if any; the amount allowed by the retailer for the
6 traded-in tangible personal property, if any, to the extent to
7 which Section 1 of this Act allows an exemption for the value
8 of traded-in property; the balance payable after deducting such
9 trade-in allowance from the total selling price; the amount of
10 tax due from the retailer with respect to such transaction; the
11 amount of tax collected from the purchaser by the retailer on
12 such transaction (or satisfactory evidence that such tax is not
13 due in that particular instance, if that is claimed to be the
14 fact); the place and date of the sale; a sufficient
15 identification of the property sold; such other information as
16 is required in Section 5-402 of The Illinois Vehicle Code, and
17 such other information as the Department may reasonably
18 require.

19 The transaction reporting return in the case of watercraft
20 or aircraft must show the name and address of the seller; the
21 name and address of the purchaser; the amount of the selling
22 price including the amount allowed by the retailer for
23 traded-in property, if any; the amount allowed by the retailer
24 for the traded-in tangible personal property, if any, to the
25 extent to which Section 1 of this Act allows an exemption for
26 the value of traded-in property; the balance payable after

1 deducting such trade-in allowance from the total selling price;
2 the amount of tax due from the retailer with respect to such
3 transaction; the amount of tax collected from the purchaser by
4 the retailer on such transaction (or satisfactory evidence that
5 such tax is not due in that particular instance, if that is
6 claimed to be the fact); the place and date of the sale, a
7 sufficient identification of the property sold, and such other
8 information as the Department may reasonably require.

9 Such transaction reporting return shall be filed not later
10 than 20 days after the day of delivery of the item that is
11 being sold, but may be filed by the retailer at any time sooner
12 than that if he chooses to do so. The transaction reporting
13 return and tax remittance or proof of exemption from the
14 Illinois use tax may be transmitted to the Department by way of
15 the State agency with which, or State officer with whom the
16 tangible personal property must be titled or registered (if
17 titling or registration is required) if the Department and such
18 agency or State officer determine that this procedure will
19 expedite the processing of applications for title or
20 registration.

21 With each such transaction reporting return, the retailer
22 shall remit the proper amount of tax due (or shall submit
23 satisfactory evidence that the sale is not taxable if that is
24 the case), to the Department or its agents, whereupon the
25 Department shall issue, in the purchaser's name, a use tax
26 receipt (or a certificate of exemption if the Department is

1 satisfied that the particular sale is tax exempt) which such
2 purchaser may submit to the agency with which, or State officer
3 with whom, he must title or register the tangible personal
4 property that is involved (if titling or registration is
5 required) in support of such purchaser's application for an
6 Illinois certificate or other evidence of title or registration
7 to such tangible personal property.

8 No retailer's failure or refusal to remit tax under this
9 Act precludes a user, who has paid the proper tax to the
10 retailer, from obtaining his certificate of title or other
11 evidence of title or registration (if titling or registration
12 is required) upon satisfying the Department that such user has
13 paid the proper tax (if tax is due) to the retailer. The
14 Department shall adopt appropriate rules to carry out the
15 mandate of this paragraph.

16 If the user who would otherwise pay tax to the retailer
17 wants the transaction reporting return filed and the payment of
18 the tax or proof of exemption made to the Department before the
19 retailer is willing to take these actions and such user has not
20 paid the tax to the retailer, such user may certify to the fact
21 of such delay by the retailer and may (upon the Department
22 being satisfied of the truth of such certification) transmit
23 the information required by the transaction reporting return
24 and the remittance for tax or proof of exemption directly to
25 the Department and obtain his tax receipt or exemption
26 determination, in which event the transaction reporting return

1 and tax remittance (if a tax payment was required) shall be
2 credited by the Department to the proper retailer's account
3 with the Department, but without the 2.1% or 1.75% discount
4 provided for in this Section being allowed. When the user pays
5 the tax directly to the Department, he shall pay the tax in the
6 same amount and in the same form in which it would be remitted
7 if the tax had been remitted to the Department by the retailer.

8 Refunds made by the seller during the preceding return
9 period to purchasers, on account of tangible personal property
10 returned to the seller, shall be allowed as a deduction under
11 subdivision 5 of his monthly or quarterly return, as the case
12 may be, in case the seller had theretofore included the
13 receipts from the sale of such tangible personal property in a
14 return filed by him and had paid the tax imposed by this Act
15 with respect to such receipts.

16 Where the seller is a corporation, the return filed on
17 behalf of such corporation shall be signed by the president,
18 vice-president, secretary or treasurer or by the properly
19 accredited agent of such corporation.

20 Where the seller is a limited liability company, the return
21 filed on behalf of the limited liability company shall be
22 signed by a manager, member, or properly accredited agent of
23 the limited liability company.

24 Except as provided in this Section, the retailer filing the
25 return under this Section shall, at the time of filing such
26 return, pay to the Department the amount of tax imposed by this

1 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
2 on and after January 1, 1990, or \$5 per calendar year,
3 whichever is greater, which is allowed to reimburse the
4 retailer for the expenses incurred in keeping records,
5 preparing and filing returns, remitting the tax and supplying
6 data to the Department on request. Any prepayment made pursuant
7 to Section 2d of this Act shall be included in the amount on
8 which such 2.1% or 1.75% discount is computed. In the case of
9 retailers who report and pay the tax on a transaction by
10 transaction basis, as provided in this Section, such discount
11 shall be taken with each such tax remittance instead of when
12 such retailer files his periodic return. The discount allowed
13 under this Section is allowed only for returns that are filed
14 in the manner required by this Act. The Department may disallow
15 the discount for retailers whose certificate of registration is
16 revoked at the time the return is filed, but only if the
17 Department's decision to revoke the certificate of
18 registration has become final.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the Use Tax
21 Act, the Service Occupation Tax Act, and the Service Use Tax
22 Act, excluding any liability for prepaid sales tax to be
23 remitted in accordance with Section 2d of this Act, was \$10,000
24 or more during the preceding 4 complete calendar quarters, he
25 shall file a return with the Department each month by the 20th
26 day of the month next following the month during which such tax

1 liability is incurred and shall make payments to the Department
2 on or before the 7th, 15th, 22nd and last day of the month
3 during which such liability is incurred. On and after October
4 1, 2000, if the taxpayer's average monthly tax liability to the
5 Department under this Act, the Use Tax Act, the Service
6 Occupation Tax Act, and the Service Use Tax Act, excluding any
7 liability for prepaid sales tax to be remitted in accordance
8 with Section 2d of this Act, was \$20,000 or more during the
9 preceding 4 complete calendar quarters, he shall file a return
10 with the Department each month by the 20th day of the month
11 next following the month during which such tax liability is
12 incurred and shall make payment to the Department on or before
13 the 7th, 15th, 22nd and last day of the month during which such
14 liability is incurred. If the month during which such tax
15 liability is incurred began prior to January 1, 1985, each
16 payment shall be in an amount equal to 1/4 of the taxpayer's
17 actual liability for the month or an amount set by the
18 Department not to exceed 1/4 of the average monthly liability
19 of the taxpayer to the Department for the preceding 4 complete
20 calendar quarters (excluding the month of highest liability and
21 the month of lowest liability in such 4 quarter period). If the
22 month during which such tax liability is incurred begins on or
23 after January 1, 1985 and prior to January 1, 1987, each
24 payment shall be in an amount equal to 22.5% of the taxpayer's
25 actual liability for the month or 27.5% of the taxpayer's
26 liability for the same calendar month of the preceding year. If

1 the month during which such tax liability is incurred begins on
2 or after January 1, 1987 and prior to January 1, 1988, each
3 payment shall be in an amount equal to 22.5% of the taxpayer's
4 actual liability for the month or 26.25% of the taxpayer's
5 liability for the same calendar month of the preceding year. If
6 the month during which such tax liability is incurred begins on
7 or after January 1, 1988, and prior to January 1, 1989, or
8 begins on or after January 1, 1996, each payment shall be in an
9 amount equal to 22.5% of the taxpayer's actual liability for
10 the month or 25% of the taxpayer's liability for the same
11 calendar month of the preceding year. If the month during which
12 such tax liability is incurred begins on or after January 1,
13 1989, and prior to January 1, 1996, each payment shall be in an
14 amount equal to 22.5% of the taxpayer's actual liability for
15 the month or 25% of the taxpayer's liability for the same
16 calendar month of the preceding year or 100% of the taxpayer's
17 actual liability for the quarter monthly reporting period. The
18 amount of such quarter monthly payments shall be credited
19 against the final tax liability of the taxpayer's return for
20 that month. Before October 1, 2000, once applicable, the
21 requirement of the making of quarter monthly payments to the
22 Department by taxpayers having an average monthly tax liability
23 of \$10,000 or more as determined in the manner provided above
24 shall continue until such taxpayer's average monthly liability
25 to the Department during the preceding 4 complete calendar
26 quarters (excluding the month of highest liability and the

1 month of lowest liability) is less than \$9,000, or until such
2 taxpayer's average monthly liability to the Department as
3 computed for each calendar quarter of the 4 preceding complete
4 calendar quarter period is less than \$10,000. However, if a
5 taxpayer can show the Department that a substantial change in
6 the taxpayer's business has occurred which causes the taxpayer
7 to anticipate that his average monthly tax liability for the
8 reasonably foreseeable future will fall below the \$10,000
9 threshold stated above, then such taxpayer may petition the
10 Department for a change in such taxpayer's reporting status. On
11 and after October 1, 2000, once applicable, the requirement of
12 the making of quarter monthly payments to the Department by
13 taxpayers having an average monthly tax liability of \$20,000 or
14 more as determined in the manner provided above shall continue
15 until such taxpayer's average monthly liability to the
16 Department during the preceding 4 complete calendar quarters
17 (excluding the month of highest liability and the month of
18 lowest liability) is less than \$19,000 or until such taxpayer's
19 average monthly liability to the Department as computed for
20 each calendar quarter of the 4 preceding complete calendar
21 quarter period is less than \$20,000. However, if a taxpayer can
22 show the Department that a substantial change in the taxpayer's
23 business has occurred which causes the taxpayer to anticipate
24 that his average monthly tax liability for the reasonably
25 foreseeable future will fall below the \$20,000 threshold stated
26 above, then such taxpayer may petition the Department for a

1 change in such taxpayer's reporting status. The Department
2 shall change such taxpayer's reporting status unless it finds
3 that such change is seasonal in nature and not likely to be
4 long term. If any such quarter monthly payment is not paid at
5 the time or in the amount required by this Section, then the
6 taxpayer shall be liable for penalties and interest on the
7 difference between the minimum amount due as a payment and the
8 amount of such quarter monthly payment actually and timely
9 paid, except insofar as the taxpayer has previously made
10 payments for that month to the Department in excess of the
11 minimum payments previously due as provided in this Section.
12 The Department shall make reasonable rules and regulations to
13 govern the quarter monthly payment amount and quarter monthly
14 payment dates for taxpayers who file on other than a calendar
15 monthly basis.

16 The provisions of this paragraph apply before October 1,
17 2001. Without regard to whether a taxpayer is required to make
18 quarter monthly payments as specified above, any taxpayer who
19 is required by Section 2d of this Act to collect and remit
20 prepaid taxes and has collected prepaid taxes which average in
21 excess of \$25,000 per month during the preceding 2 complete
22 calendar quarters, shall file a return with the Department as
23 required by Section 2f and shall make payments to the
24 Department on or before the 7th, 15th, 22nd and last day of the
25 month during which such liability is incurred. If the month
26 during which such tax liability is incurred began prior to

1 September 1, 1985 (the effective date of Public Act 84-221),
2 each payment shall be in an amount not less than 22.5% of the
3 taxpayer's actual liability under Section 2d. If the month
4 during which such tax liability is incurred begins on or after
5 January 1, 1986, each payment shall be in an amount equal to
6 22.5% of the taxpayer's actual liability for the month or 27.5%
7 of the taxpayer's liability for the same calendar month of the
8 preceding calendar year. If the month during which such tax
9 liability is incurred begins on or after January 1, 1987, each
10 payment shall be in an amount equal to 22.5% of the taxpayer's
11 actual liability for the month or 26.25% of the taxpayer's
12 liability for the same calendar month of the preceding year.
13 The amount of such quarter monthly payments shall be credited
14 against the final tax liability of the taxpayer's return for
15 that month filed under this Section or Section 2f, as the case
16 may be. Once applicable, the requirement of the making of
17 quarter monthly payments to the Department pursuant to this
18 paragraph shall continue until such taxpayer's average monthly
19 prepaid tax collections during the preceding 2 complete
20 calendar quarters is \$25,000 or less. If any such quarter
21 monthly payment is not paid at the time or in the amount
22 required, the taxpayer shall be liable for penalties and
23 interest on such difference, except insofar as the taxpayer has
24 previously made payments for that month in excess of the
25 minimum payments previously due.

26 The provisions of this paragraph apply on and after October

1 1, 2001. Without regard to whether a taxpayer is required to
2 make quarter monthly payments as specified above, any taxpayer
3 who is required by Section 2d of this Act to collect and remit
4 prepaid taxes and has collected prepaid taxes that average in
5 excess of \$20,000 per month during the preceding 4 complete
6 calendar quarters shall file a return with the Department as
7 required by Section 2f and shall make payments to the
8 Department on or before the 7th, 15th, 22nd and last day of the
9 month during which the liability is incurred. Each payment
10 shall be in an amount equal to 22.5% of the taxpayer's actual
11 liability for the month or 25% of the taxpayer's liability for
12 the same calendar month of the preceding year. The amount of
13 the quarter monthly payments shall be credited against the
14 final tax liability of the taxpayer's return for that month
15 filed under this Section or Section 2f, as the case may be.
16 Once applicable, the requirement of the making of quarter
17 monthly payments to the Department pursuant to this paragraph
18 shall continue until the taxpayer's average monthly prepaid tax
19 collections during the preceding 4 complete calendar quarters
20 (excluding the month of highest liability and the month of
21 lowest liability) is less than \$19,000 or until such taxpayer's
22 average monthly liability to the Department as computed for
23 each calendar quarter of the 4 preceding complete calendar
24 quarters is less than \$20,000. If any such quarter monthly
25 payment is not paid at the time or in the amount required, the
26 taxpayer shall be liable for penalties and interest on such

1 difference, except insofar as the taxpayer has previously made
2 payments for that month in excess of the minimum payments
3 previously due.

4 If any payment provided for in this Section exceeds the
5 taxpayer's liabilities under this Act, the Use Tax Act, the
6 Service Occupation Tax Act and the Service Use Tax Act, as
7 shown on an original monthly return, the Department shall, if
8 requested by the taxpayer, issue to the taxpayer a credit
9 memorandum no later than 30 days after the date of payment. The
10 credit evidenced by such credit memorandum may be assigned by
11 the taxpayer to a similar taxpayer under this Act, the Use Tax
12 Act, the Service Occupation Tax Act or the Service Use Tax Act,
13 in accordance with reasonable rules and regulations to be
14 prescribed by the Department. If no such request is made, the
15 taxpayer may credit such excess payment against tax liability
16 subsequently to be remitted to the Department under this Act,
17 the Use Tax Act, the Service Occupation Tax Act or the Service
18 Use Tax Act, in accordance with reasonable rules and
19 regulations prescribed by the Department. If the Department
20 subsequently determined that all or any part of the credit
21 taken was not actually due to the taxpayer, the taxpayer's 2.1%
22 and 1.75% vendor's discount shall be reduced by 2.1% or 1.75%
23 of the difference between the credit taken and that actually
24 due, and that taxpayer shall be liable for penalties and
25 interest on such difference.

26 If a retailer of motor fuel is entitled to a credit under

1 Section 2d of this Act which exceeds the taxpayer's liability
2 to the Department under this Act for the month which the
3 taxpayer is filing a return, the Department shall issue the
4 taxpayer a credit memorandum for the excess.

5 Beginning January 1, 1990, each month the Department shall
6 pay into the Local Government Tax Fund, a special fund in the
7 State treasury which is hereby created, the net revenue
8 realized for the preceding month from the 1% tax imposed under
9 this Act ~~on sales of food for human consumption which is to be~~
10 ~~consumed off the premises where it is sold (other than~~
11 ~~alcoholic beverages, soft drinks and food which has been~~
12 ~~prepared for immediate consumption) and prescription and~~
13 ~~nonprescription medicines, drugs, medical appliances, products~~
14 ~~classified as Class III medical devices by the United States~~
15 ~~Food and Drug Administration that are used for cancer treatment~~
16 ~~pursuant to a prescription, as well as any accessories and~~
17 ~~components related to those devices, and insulin, urine testing~~
18 ~~materials, syringes and needles used by diabetics.~~

19 Beginning January 1, 1990, each month the Department shall
20 pay into the County and Mass Transit District Fund, a special
21 fund in the State treasury which is hereby created, 4% of the
22 net revenue realized for the preceding month from the 6.25%
23 general rate.

24 Beginning August 1, 2000, each month the Department shall
25 pay into the County and Mass Transit District Fund 20% of the
26 net revenue realized for the preceding month from the 1.25%

1 rate on the selling price of motor fuel and gasohol. Beginning
2 September 1, 2010, each month the Department shall pay into the
3 County and Mass Transit District Fund 20% of the net revenue
4 realized for the preceding month from the 1.25% rate on the
5 selling price of sales tax holiday items.

6 Beginning January 1, 1990, each month the Department shall
7 pay into the Local Government Tax Fund 16% of the net revenue
8 realized for the preceding month from the 6.25% general rate on
9 the selling price of tangible personal property.

10 Beginning August 1, 2000, each month the Department shall
11 pay into the Local Government Tax Fund 80% of the net revenue
12 realized for the preceding month from the 1.25% rate on the
13 selling price of motor fuel and gasohol. Beginning September 1,
14 2010, each month the Department shall pay into the Local
15 Government Tax Fund 80% of the net revenue realized for the
16 preceding month from the 1.25% rate on the selling price of
17 sales tax holiday items.

18 Beginning October 1, 2009, each month the Department shall
19 pay into the Capital Projects Fund an amount that is equal to
20 an amount estimated by the Department to represent 80% of the
21 net revenue realized for the preceding month from the sale of
22 candy, grooming and hygiene products, and soft drinks that had
23 been taxed at a rate of 1% prior to September 1, 2009 but that
24 are now taxed at 6.25%.

25 Beginning July 1, 2011, each month the Department shall pay
26 into the Clean Air Act Permit Fund 80% of the net revenue

1 realized for the preceding month from the 6.25% general rate on
2 the selling price of sorbents used in Illinois in the process
3 of sorbent injection as used to comply with the Environmental
4 Protection Act or the federal Clean Air Act, but the total
5 payment into the Clean Air Act Permit Fund under this Act and
6 the Use Tax Act shall not exceed \$2,000,000 in any fiscal year.

7 Beginning July 1, 2013, each month the Department shall pay
8 into the Underground Storage Tank Fund from the proceeds
9 collected under this Act, the Use Tax Act, the Service Use Tax
10 Act, and the Service Occupation Tax Act an amount equal to the
11 average monthly deficit in the Underground Storage Tank Fund
12 during the prior year, as certified annually by the Illinois
13 Environmental Protection Agency, but the total payment into the
14 Underground Storage Tank Fund under this Act, the Use Tax Act,
15 the Service Use Tax Act, and the Service Occupation Tax Act
16 shall not exceed \$18,000,000 in any State fiscal year. As used
17 in this paragraph, the "average monthly deficit" shall be equal
18 to the difference between the average monthly claims for
19 payment by the fund and the average monthly revenues deposited
20 into the fund, excluding payments made pursuant to this
21 paragraph.

22 Beginning July 1, 2015, of the remainder of the moneys
23 received by the Department under the Use Tax Act, the Service
24 Use Tax Act, the Service Occupation Tax Act, and this Act, each
25 month the Department shall deposit \$500,000 into the State
26 Crime Laboratory Fund.

1 Of the remainder of the moneys received by the Department
2 pursuant to this Act, (a) 1.75% thereof shall be paid into the
3 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
4 and after July 1, 1989, 3.8% thereof shall be paid into the
5 Build Illinois Fund; provided, however, that if in any fiscal
6 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
7 may be, of the moneys received by the Department and required
8 to be paid into the Build Illinois Fund pursuant to this Act,
9 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
10 Act, and Section 9 of the Service Occupation Tax Act, such Acts
11 being hereinafter called the "Tax Acts" and such aggregate of
12 2.2% or 3.8%, as the case may be, of moneys being hereinafter
13 called the "Tax Act Amount", and (2) the amount transferred to
14 the Build Illinois Fund from the State and Local Sales Tax
15 Reform Fund shall be less than the Annual Specified Amount (as
16 hereinafter defined), an amount equal to the difference shall
17 be immediately paid into the Build Illinois Fund from other
18 moneys received by the Department pursuant to the Tax Acts; the
19 "Annual Specified Amount" means the amounts specified below for
20 fiscal years 1986 through 1993:

21	Fiscal Year	Annual Specified Amount
22	1986	\$54,800,000
23	1987	\$76,650,000
24	1988	\$80,480,000
25	1989	\$88,510,000
26	1990	\$115,330,000

1	1991	\$145,470,000
2	1992	\$182,730,000
3	1993	\$206,520,000;

4 and means the Certified Annual Debt Service Requirement (as
5 defined in Section 13 of the Build Illinois Bond Act) or the
6 Tax Act Amount, whichever is greater, for fiscal year 1994 and
7 each fiscal year thereafter; and further provided, that if on
8 the last business day of any month the sum of (1) the Tax Act
9 Amount required to be deposited into the Build Illinois Bond
10 Account in the Build Illinois Fund during such month and (2)
11 the amount transferred to the Build Illinois Fund from the
12 State and Local Sales Tax Reform Fund shall have been less than
13 1/12 of the Annual Specified Amount, an amount equal to the
14 difference shall be immediately paid into the Build Illinois
15 Fund from other moneys received by the Department pursuant to
16 the Tax Acts; and, further provided, that in no event shall the
17 payments required under the preceding proviso result in
18 aggregate payments into the Build Illinois Fund pursuant to
19 this clause (b) for any fiscal year in excess of the greater of
20 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
21 such fiscal year. The amounts payable into the Build Illinois
22 Fund under clause (b) of the first sentence in this paragraph
23 shall be payable only until such time as the aggregate amount
24 on deposit under each trust indenture securing Bonds issued and
25 outstanding pursuant to the Build Illinois Bond Act is
26 sufficient, taking into account any future investment income,

1 to fully provide, in accordance with such indenture, for the
2 defeasance of or the payment of the principal of, premium, if
3 any, and interest on the Bonds secured by such indenture and on
4 any Bonds expected to be issued thereafter and all fees and
5 costs payable with respect thereto, all as certified by the
6 Director of the Bureau of the Budget (now Governor's Office of
7 Management and Budget). If on the last business day of any
8 month in which Bonds are outstanding pursuant to the Build
9 Illinois Bond Act, the aggregate of moneys deposited in the
10 Build Illinois Bond Account in the Build Illinois Fund in such
11 month shall be less than the amount required to be transferred
12 in such month from the Build Illinois Bond Account to the Build
13 Illinois Bond Retirement and Interest Fund pursuant to Section
14 13 of the Build Illinois Bond Act, an amount equal to such
15 deficiency shall be immediately paid from other moneys received
16 by the Department pursuant to the Tax Acts to the Build
17 Illinois Fund; provided, however, that any amounts paid to the
18 Build Illinois Fund in any fiscal year pursuant to this
19 sentence shall be deemed to constitute payments pursuant to
20 clause (b) of the first sentence of this paragraph and shall
21 reduce the amount otherwise payable for such fiscal year
22 pursuant to that clause (b). The moneys received by the
23 Department pursuant to this Act and required to be deposited
24 into the Build Illinois Fund are subject to the pledge, claim
25 and charge set forth in Section 12 of the Build Illinois Bond
26 Act.

1 Subject to payment of amounts into the Build Illinois Fund
2 as provided in the preceding paragraph or in any amendment
3 thereto hereafter enacted, the following specified monthly
4 installment of the amount requested in the certificate of the
5 Chairman of the Metropolitan Pier and Exposition Authority
6 provided under Section 8.25f of the State Finance Act, but not
7 in excess of sums designated as "Total Deposit", shall be
8 deposited in the aggregate from collections under Section 9 of
9 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
10 9 of the Service Occupation Tax Act, and Section 3 of the
11 Retailers' Occupation Tax Act into the McCormick Place
12 Expansion Project Fund in the specified fiscal years.

	Fiscal Year	Total Deposit
13		
14	1993	\$0
15	1994	53,000,000
16	1995	58,000,000
17	1996	61,000,000
18	1997	64,000,000
19	1998	68,000,000
20	1999	71,000,000
21	2000	75,000,000
22	2001	80,000,000
23	2002	93,000,000
24	2003	99,000,000
25	2004	103,000,000

1	2005	108,000,000
2	2006	113,000,000
3	2007	119,000,000
4	2008	126,000,000
5	2009	132,000,000
6	2010	139,000,000
7	2011	146,000,000
8	2012	153,000,000
9	2013	161,000,000
10	2014	170,000,000
11	2015	179,000,000
12	2016	189,000,000
13	2017	199,000,000
14	2018	210,000,000
15	2019	221,000,000
16	2020	233,000,000
17	2021	246,000,000
18	2022	260,000,000
19	2023	275,000,000
20	2024	275,000,000
21	2025	275,000,000
22	2026	279,000,000
23	2027	292,000,000
24	2028	307,000,000
25	2029	322,000,000
26	2030	338,000,000

1 2031 350,000,000

2 2032 350,000,000

3 and

4 each fiscal year

5 thereafter that bonds

6 are outstanding under

7 Section 13.2 of the

8 Metropolitan Pier and

9 Exposition Authority Act,

10 but not after fiscal year 2060.

11 Beginning July 20, 1993 and in each month of each fiscal
12 year thereafter, one-eighth of the amount requested in the
13 certificate of the Chairman of the Metropolitan Pier and
14 Exposition Authority for that fiscal year, less the amount
15 deposited into the McCormick Place Expansion Project Fund by
16 the State Treasurer in the respective month under subsection
17 (g) of Section 13 of the Metropolitan Pier and Exposition
18 Authority Act, plus cumulative deficiencies in the deposits
19 required under this Section for previous months and years,
20 shall be deposited into the McCormick Place Expansion Project
21 Fund, until the full amount requested for the fiscal year, but
22 not in excess of the amount specified above as "Total Deposit",
23 has been deposited.

24 Subject to payment of amounts into the Build Illinois Fund
25 and the McCormick Place Expansion Project Fund pursuant to the
26 preceding paragraphs or in any amendments thereto hereafter

1 enacted, beginning July 1, 1993 and ending on September 30,
2 2013, the Department shall each month pay into the Illinois Tax
3 Increment Fund 0.27% of 80% of the net revenue realized for the
4 preceding month from the 6.25% general rate on the selling
5 price of tangible personal property.

6 Subject to payment of amounts into the Build Illinois Fund
7 and the McCormick Place Expansion Project Fund pursuant to the
8 preceding paragraphs or in any amendments thereto hereafter
9 enacted, beginning with the receipt of the first report of
10 taxes paid by an eligible business and continuing for a 25-year
11 period, the Department shall each month pay into the Energy
12 Infrastructure Fund 80% of the net revenue realized from the
13 6.25% general rate on the selling price of Illinois-mined coal
14 that was sold to an eligible business. For purposes of this
15 paragraph, the term "eligible business" means a new electric
16 generating facility certified pursuant to Section 605-332 of
17 the Department of Commerce and Economic Opportunity Law of the
18 Civil Administrative Code of Illinois.

19 Subject to payment of amounts into the Build Illinois Fund,
20 the McCormick Place Expansion Project Fund, the Illinois Tax
21 Increment Fund, and the Energy Infrastructure Fund pursuant to
22 the preceding paragraphs or in any amendments to this Section
23 hereafter enacted, beginning on the first day of the first
24 calendar month to occur on or after August 26, 2014 (the
25 effective date of Public Act 98-1098), each month, from the
26 collections made under Section 9 of the Use Tax Act, Section 9

1 of the Service Use Tax Act, Section 9 of the Service Occupation
2 Tax Act, and Section 3 of the Retailers' Occupation Tax Act,
3 the Department shall pay into the Tax Compliance and
4 Administration Fund, to be used, subject to appropriation, to
5 fund additional auditors and compliance personnel at the
6 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
7 the cash receipts collected during the preceding fiscal year by
8 the Audit Bureau of the Department under the Use Tax Act, the
9 Service Use Tax Act, the Service Occupation Tax Act, the
10 Retailers' Occupation Tax Act, and associated local occupation
11 and use taxes administered by the Department.

12 Subject to payments of amounts into the Build Illinois
13 Fund, the McCormick Place Expansion Project Fund, the Illinois
14 Tax Increment Fund, the Energy Infrastructure Fund, and the Tax
15 Compliance and Administration Fund as provided in this Section,
16 beginning on July 1, 2018 the Department shall pay each month
17 into the Downstate Public Transportation Fund the moneys
18 required to be so paid under Section 2-3 of the Downstate
19 Public Transportation Act.

20 Of the remainder of the moneys received by the Department
21 pursuant to this Act, 75% thereof shall be paid into the State
22 Treasury and 25% shall be reserved in a special account and
23 used only for the transfer to the Common School Fund as part of
24 the monthly transfer from the General Revenue Fund in
25 accordance with Section 8a of the State Finance Act.

26 The Department may, upon separate written notice to a

1 taxpayer, require the taxpayer to prepare and file with the
2 Department on a form prescribed by the Department within not
3 less than 60 days after receipt of the notice an annual
4 information return for the tax year specified in the notice.
5 Such annual return to the Department shall include a statement
6 of gross receipts as shown by the retailer's last Federal
7 income tax return. If the total receipts of the business as
8 reported in the Federal income tax return do not agree with the
9 gross receipts reported to the Department of Revenue for the
10 same period, the retailer shall attach to his annual return a
11 schedule showing a reconciliation of the 2 amounts and the
12 reasons for the difference. The retailer's annual return to the
13 Department shall also disclose the cost of goods sold by the
14 retailer during the year covered by such return, opening and
15 closing inventories of such goods for such year, costs of goods
16 used from stock or taken from stock and given away by the
17 retailer during such year, payroll information of the
18 retailer's business during such year and any additional
19 reasonable information which the Department deems would be
20 helpful in determining the accuracy of the monthly, quarterly
21 or annual returns filed by such retailer as provided for in
22 this Section.

23 If the annual information return required by this Section
24 is not filed when and as required, the taxpayer shall be liable
25 as follows:

26 (i) Until January 1, 1994, the taxpayer shall be liable

1 for a penalty equal to 1/6 of 1% of the tax due from such
2 taxpayer under this Act during the period to be covered by
3 the annual return for each month or fraction of a month
4 until such return is filed as required, the penalty to be
5 assessed and collected in the same manner as any other
6 penalty provided for in this Act.

7 (ii) On and after January 1, 1994, the taxpayer shall
8 be liable for a penalty as described in Section 3-4 of the
9 Uniform Penalty and Interest Act.

10 The chief executive officer, proprietor, owner or highest
11 ranking manager shall sign the annual return to certify the
12 accuracy of the information contained therein. Any person who
13 willfully signs the annual return containing false or
14 inaccurate information shall be guilty of perjury and punished
15 accordingly. The annual return form prescribed by the
16 Department shall include a warning that the person signing the
17 return may be liable for perjury.

18 The provisions of this Section concerning the filing of an
19 annual information return do not apply to a retailer who is not
20 required to file an income tax return with the United States
21 Government.

22 As soon as possible after the first day of each month, upon
23 certification of the Department of Revenue, the Comptroller
24 shall order transferred and the Treasurer shall transfer from
25 the General Revenue Fund to the Motor Fuel Tax Fund an amount
26 equal to 1.7% of 80% of the net revenue realized under this Act

1 for the second preceding month. Beginning April 1, 2000, this
2 transfer is no longer required and shall not be made.

3 Net revenue realized for a month shall be the revenue
4 collected by the State pursuant to this Act, less the amount
5 paid out during that month as refunds to taxpayers for
6 overpayment of liability.

7 For greater simplicity of administration, manufacturers,
8 importers and wholesalers whose products are sold at retail in
9 Illinois by numerous retailers, and who wish to do so, may
10 assume the responsibility for accounting and paying to the
11 Department all tax accruing under this Act with respect to such
12 sales, if the retailers who are affected do not make written
13 objection to the Department to this arrangement.

14 Any person who promotes, organizes, provides retail
15 selling space for concessionaires or other types of sellers at
16 the Illinois State Fair, DuQuoin State Fair, county fairs,
17 local fairs, art shows, flea markets and similar exhibitions or
18 events, including any transient merchant as defined by Section
19 2 of the Transient Merchant Act of 1987, is required to file a
20 report with the Department providing the name of the merchant's
21 business, the name of the person or persons engaged in
22 merchant's business, the permanent address and Illinois
23 Retailers Occupation Tax Registration Number of the merchant,
24 the dates and location of the event and other reasonable
25 information that the Department may require. The report must be
26 filed not later than the 20th day of the month next following

1 the month during which the event with retail sales was held.
2 Any person who fails to file a report required by this Section
3 commits a business offense and is subject to a fine not to
4 exceed \$250.

5 Any person engaged in the business of selling tangible
6 personal property at retail as a concessionaire or other type
7 of seller at the Illinois State Fair, county fairs, art shows,
8 flea markets and similar exhibitions or events, or any
9 transient merchants, as defined by Section 2 of the Transient
10 Merchant Act of 1987, may be required to make a daily report of
11 the amount of such sales to the Department and to make a daily
12 payment of the full amount of tax due. The Department shall
13 impose this requirement when it finds that there is a
14 significant risk of loss of revenue to the State at such an
15 exhibition or event. Such a finding shall be based on evidence
16 that a substantial number of concessionaires or other sellers
17 who are not residents of Illinois will be engaging in the
18 business of selling tangible personal property at retail at the
19 exhibition or event, or other evidence of a significant risk of
20 loss of revenue to the State. The Department shall notify
21 concessionaires and other sellers affected by the imposition of
22 this requirement. In the absence of notification by the
23 Department, the concessionaires and other sellers shall file
24 their returns as otherwise required in this Section.

25 (Source: P.A. 99-352, eff. 8-12-15; 99-858, eff. 8-19-16;
26 99-933, eff. 1-27-17; 100-303, eff. 8-24-17; 100-363, eff.

1 7-1-18; revised 10-27-17.)

2 (35 ILCS 120/5j) (from Ch. 120, par. 444j)

3 Sec. 5j. If any taxpayer, outside the usual course of his
4 business, sells or transfers the major part of any one or more
5 of (A) the stock of goods which he is engaged in the business
6 of selling, or (B) the furniture or fixtures, (C) the machinery
7 and equipment, or (D) the real property, of any business that
8 is subject to the provisions of this Act, the purchaser or
9 transferee of such asset shall, no later than 10 business days
10 prior to ~~after~~ the sale or transfer, file a notice of sale or
11 transfer of business assets with the ~~Chicago office of the~~
12 Department disclosing the name and address of the seller or
13 transferor, the name and address of the purchaser or
14 transferee, the date of the sale or transfer, a copy of the
15 sales contract and financing agreements which shall include a
16 description of the property sold, the amount of the purchase
17 price or a statement of other consideration for the sale or
18 transfer, the terms for payment of the purchase price, and such
19 other information as the Department may reasonably require. If
20 the purchaser or transferee fails to file the above described
21 notice of sale with the Department within the prescribed time,
22 the purchaser or transferee shall be personally liable for the
23 amount owed hereunder by the seller or transferor to the
24 Department up to the amount of the reasonable value of the
25 property acquired by the purchaser or transferee. The seller or

1 transferor shall pay the Department the amount of tax, penalty
2 and interest (if any) due from him under this Act up to the
3 date of the payment of tax. The seller or transferor, or the
4 purchaser or transferee, at least 10 business days before the
5 date of the sale or transfer, may notify the Department of the
6 intended sale or transfer and request the Department to audit
7 the books and records of the seller or transferor, or to do
8 whatever else may be necessary to determine how much the seller
9 or transferor owes to the Department hereunder up to the date
10 of the sale or transfer. The Department shall take such steps
11 as may be appropriate to comply with such request.

12 Any order issued by the Department pursuant to this Section
13 to withhold from the purchase price shall be issued within 10
14 business days after the Department receives notification of a
15 sale as provided in this Section. The purchaser or transferee
16 shall withhold such portion of the purchase price as may be
17 directed by the Department, but not to exceed a minimum amount
18 varying by type of business, as determined by the Department
19 pursuant to regulations, plus twice the outstanding unpaid
20 liabilities and twice the average liability of preceding
21 filings times the number of unfiled returns, to cover the
22 amount of all tax, penalty and interest due and unpaid by the
23 seller or transferor under this Act or, if the payment of money
24 or property is not involved, shall withhold the performance of
25 the condition that constitutes the consideration for the sale
26 or transfer. Within 60 business days after issuance of the

1 initial order to withhold, the Department shall provide written
2 notice to the purchaser or transferee of the actual amount of
3 all taxes, penalties and interest then due and whether or not
4 additional amounts may become due as a result of unfiled
5 returns, pending assessments and audits not completed. The
6 purchaser or transferee shall continue to withhold the amount
7 directed to be withheld by the initial order or such lesser
8 amount as is specified by the final withholding order or to
9 withhold the performance of the condition which constitutes the
10 consideration for the sale or transfer until the purchaser or
11 transferee receives from the Department a certificate showing
12 that such tax, penalty and interest have been paid or a
13 certificate from the Department showing that no tax, penalty or
14 interest is due from the seller or transferor under this Act.

15 The purchaser or transferee is relieved of any duty to
16 continue to withhold from the purchase price and of any
17 liability for tax, penalty or interest due hereunder from the
18 seller or transferor if the Department fails to notify the
19 purchaser or transferee in the manner provided herein of the
20 amount to be withheld within 10 business days after the sale or
21 transfer has been reported to the Department or within 60
22 business days after issuance of the initial order to withhold,
23 as the case may be. The Department shall have the right to
24 determine amounts claimed on an estimated basis to allow for
25 non-filed periods, pending assessments and audits not
26 completed, however the purchaser or transferee shall be

1 personally liable only for the actual amount due when
2 determined.

3 If the seller or transferor fails to pay the tax, penalty
4 and interest (if any) due from him hereunder and the Department
5 makes timely claim therefor against the purchaser or transferee
6 as hereinabove provided, then the purchaser or transferee shall
7 pay the amount so withheld from the purchase price to the
8 Department. If the purchaser or transferee fails to comply with
9 the requirements of this Section, the purchaser or transferee
10 shall be personally liable to the Department for the amount
11 owed hereunder by the seller or transferor to the Department up
12 to the amount of the reasonable value of the property acquired
13 by the purchaser or transferee.

14 Any person who shall acquire any property or rights thereto
15 which, at the time of such acquisition, is subject to a valid
16 lien in favor of the Department shall be personally liable to
17 the Department for a sum equal to the amount of taxes secured
18 by such lien but not to exceed the reasonable value of such
19 property acquired by him.

20 (Source: P.A. 94-776, eff. 5-19-06.)

21 Section 50. The Cigarette Machine Operators' Occupation
22 Tax Act is amended by changing Section 1-40 as follows:

23 (35 ILCS 128/1-40)

24 Sec. 1-40. Returns.

1 (a) Cigarette machine operators shall file a return and
2 remit the tax imposed by Section 1-10 by the 15th day of each
3 month covering the preceding calendar month. Each such return
4 shall show: the quantity of cigarettes made or fabricated
5 during the period covered by the return; the beginning and
6 ending meter reading for each cigarette machine for the period
7 covered by the return; the quantity of such cigarettes sold or
8 otherwise disposed of during the period covered by the return;
9 the brand family and manufacturer and quantity of tobacco
10 products used to make or fabricate cigarettes by use of a
11 cigarette machine; the license number of each distributor from
12 whom tobacco products are purchased; the type and quantity of
13 cigarette tubes purchased for use in a cigarette machine; the
14 type and quantity of cigarette tubes used in a cigarette
15 machine; and such other information as the Department may
16 require. Such returns shall be filed on forms prescribed and
17 furnished by the Department. The Department may promulgate
18 rules to require that the cigarette machine operator's return
19 be accompanied by appropriate computer-generated magnetic
20 media supporting schedule data in the format required by the
21 Department, unless, as provided by rule, the Department grants
22 an exception upon petition of a cigarette machine operator.

23 Cigarette machine operators shall send a copy of those
24 returns, together with supporting schedule data, to the
25 Attorney General's Office by the 15th day of each month for the
26 period covering the preceding calendar month.

1 (b) Cigarette machine operators may take a credit against
2 any tax due under Section 1-10 of this Act for taxes imposed
3 and paid under the Tobacco Products Tax Act of 1995 on tobacco
4 products sold to a customer and used in a rolling machine
5 located at the cigarette machine operator's place of business.
6 To be eligible for such credit, the tobacco product must meet
7 the requirements of subsection (a) of Section 1-25 of this Act.
8 This subsection (b) is exempt from the provisions of Section
9 1-155 of this Act.

10 (c) If any payment provided for in this Section exceeds the
11 cigarette machine operator's liabilities under this Act, as
12 shown on an original return, the cigarette machine operator may
13 credit such excess payment against liability subsequently to be
14 remitted to the Department under this Act, in accordance with
15 reasonable rules adopted by the Department.

16 (Source: P.A. 97-688, eff. 6-14-12.)

17 Section 55. The Cigarette Tax Act is amended by changing
18 Section 2 as follows:

19 (35 ILCS 130/2) (from Ch. 120, par. 453.2)

20 Sec. 2. Tax imposed; rate; collection, payment, and
21 distribution; discount.

22 (a) A tax is imposed upon any person engaged in business as
23 a retailer of cigarettes in this State at the rate of 5 1/2
24 mills per cigarette sold, or otherwise disposed of in the

1 course of such business in this State. In addition to any other
2 tax imposed by this Act, a tax is imposed upon any person
3 engaged in business as a retailer of cigarettes in this State
4 at a rate of 1/2 mill per cigarette sold or otherwise disposed
5 of in the course of such business in this State on and after
6 January 1, 1947, and shall be paid into the Metropolitan Fair
7 and Exposition Authority Reconstruction Fund or as otherwise
8 provided in Section 29. On and after December 1, 1985, in
9 addition to any other tax imposed by this Act, a tax is imposed
10 upon any person engaged in business as a retailer of cigarettes
11 in this State at a rate of 4 mills per cigarette sold or
12 otherwise disposed of in the course of such business in this
13 State. Of the additional tax imposed by this amendatory Act of
14 1985, \$9,000,000 of the moneys received by the Department of
15 Revenue pursuant to this Act shall be paid each month into the
16 Common School Fund. On and after the effective date of this
17 amendatory Act of 1989, in addition to any other tax imposed by
18 this Act, a tax is imposed upon any person engaged in business
19 as a retailer of cigarettes at the rate of 5 mills per
20 cigarette sold or otherwise disposed of in the course of such
21 business in this State. On and after the effective date of this
22 amendatory Act of 1993, in addition to any other tax imposed by
23 this Act, a tax is imposed upon any person engaged in business
24 as a retailer of cigarettes at the rate of 7 mills per
25 cigarette sold or otherwise disposed of in the course of such
26 business in this State. On and after December 15, 1997, in

1 addition to any other tax imposed by this Act, a tax is imposed
2 upon any person engaged in business as a retailer of cigarettes
3 at the rate of 7 mills per cigarette sold or otherwise disposed
4 of in the course of such business of this State. All of the
5 moneys received by the Department of Revenue pursuant to this
6 Act and the Cigarette Use Tax Act from the additional taxes
7 imposed by this amendatory Act of 1997, shall be paid each
8 month into the Common School Fund. On and after July 1, 2002,
9 in addition to any other tax imposed by this Act, a tax is
10 imposed upon any person engaged in business as a retailer of
11 cigarettes at the rate of 20.0 mills per cigarette sold or
12 otherwise disposed of in the course of such business in this
13 State. Beginning on June 24, 2012, in addition to any other tax
14 imposed by this Act, a tax is imposed upon any person engaged
15 in business as a retailer of cigarettes at the rate of 50 mills
16 per cigarette sold or otherwise disposed of in the course of
17 such business in this State. All moneys received by the
18 Department of Revenue under this Act and the Cigarette Use Tax
19 Act from the additional taxes imposed by this amendatory Act of
20 the 97th General Assembly shall be paid each month into the
21 Healthcare Provider Relief Fund. The payment of such taxes
22 shall be evidenced by a stamp affixed to each original package
23 of cigarettes, or an authorized substitute for such stamp
24 imprinted on each original package of such cigarettes
25 underneath the sealed transparent outside wrapper of such
26 original package, as hereinafter provided. However, such taxes

1 are not imposed upon any activity in such business in
2 interstate commerce or otherwise, which activity may not under
3 the Constitution and statutes of the United States be made the
4 subject of taxation by this State.

5 Beginning on the effective date of this amendatory Act of
6 the 92nd General Assembly and through June 30, 2006, all of the
7 moneys received by the Department of Revenue pursuant to this
8 Act and the Cigarette Use Tax Act, other than the moneys that
9 are dedicated to the Common School Fund, shall be distributed
10 each month as follows: first, there shall be paid into the
11 General Revenue Fund an amount which, when added to the amount
12 paid into the Common School Fund for that month, equals
13 \$33,300,000, except that in the month of August of 2004, this
14 amount shall equal \$83,300,000; then, from the moneys
15 remaining, if any amounts required to be paid into the General
16 Revenue Fund in previous months remain unpaid, those amounts
17 shall be paid into the General Revenue Fund; then, beginning on
18 April 1, 2003, from the moneys remaining, \$5,000,000 per month
19 shall be paid into the School Infrastructure Fund; then, if any
20 amounts required to be paid into the School Infrastructure Fund
21 in previous months remain unpaid, those amounts shall be paid
22 into the School Infrastructure Fund; then the moneys remaining,
23 if any, shall be paid into the Long-Term Care Provider Fund. To
24 the extent that more than \$25,000,000 has been paid into the
25 General Revenue Fund and Common School Fund per month for the
26 period of July 1, 1993 through the effective date of this

1 amendatory Act of 1994 from combined receipts of the Cigarette
2 Tax Act and the Cigarette Use Tax Act, notwithstanding the
3 distribution provided in this Section, the Department of
4 Revenue is hereby directed to adjust the distribution provided
5 in this Section to increase the next monthly payments to the
6 Long Term Care Provider Fund by the amount paid to the General
7 Revenue Fund and Common School Fund in excess of \$25,000,000
8 per month and to decrease the next monthly payments to the
9 General Revenue Fund and Common School Fund by that same excess
10 amount.

11 Beginning on July 1, 2006, all of the moneys received by
12 the Department of Revenue pursuant to this Act and the
13 Cigarette Use Tax Act, other than the moneys that are dedicated
14 to the Common School Fund and, beginning on the effective date
15 of this amendatory Act of the 97th General Assembly, other than
16 the moneys from the additional taxes imposed by this amendatory
17 Act of the 97th General Assembly that must be paid each month
18 into the Healthcare Provider Relief Fund, shall be distributed
19 each month as follows: first, there shall be paid into the
20 General Revenue Fund an amount that, when added to the amount
21 paid into the Common School Fund for that month, equals
22 \$29,200,000; then, from the moneys remaining, if any amounts
23 required to be paid into the General Revenue Fund in previous
24 months remain unpaid, those amounts shall be paid into the
25 General Revenue Fund; then from the moneys remaining,
26 \$5,000,000 per month shall be paid into the School

1 Infrastructure Fund; then, if any amounts required to be paid
2 into the School Infrastructure Fund in previous months remain
3 unpaid, those amounts shall be paid into the School
4 Infrastructure Fund; then the moneys remaining, if any, shall
5 be paid into the Long-Term Care Provider Fund.

6 Moneys collected from the tax imposed on little cigars
7 under Section 10-10 of the Tobacco Products Tax Act of 1995
8 shall be included with the moneys collected under the Cigarette
9 Tax Act and the Cigarette Use Tax Act when making distributions
10 to the Common School Fund, the Healthcare Provider Relief Fund,
11 the General Revenue Fund, the School Infrastructure Fund, and
12 the Long-Term Care Provider Fund under this Section.

13 When any tax imposed herein terminates or has terminated,
14 distributors who have bought stamps while such tax was in
15 effect and who therefore paid such tax, but who can show, to
16 the Department's satisfaction, that they sold the cigarettes to
17 which they affixed such stamps after such tax had terminated
18 and did not recover the tax or its equivalent from purchasers,
19 shall be allowed by the Department to take credit for such
20 absorbed tax against subsequent tax stamp purchases from the
21 Department by such distributor.

22 The impact of the tax levied by this Act is imposed upon
23 the retailer and shall be prepaid or pre-collected by the
24 distributor for the purpose of convenience and facility only,
25 and the amount of the tax shall be added to the price of the
26 cigarettes sold by such distributor. Collection of the tax

1 shall be evidenced by a stamp or stamps affixed to each
2 original package of cigarettes, as hereinafter provided. Any
3 distributor who purchases stamps may credit any excess payments
4 verified by the Department against amounts subsequently due for
5 the purchase of additional stamps, until such time as no excess
6 payment remains.

7 Each distributor shall collect the tax from the retailer at
8 or before the time of the sale, shall affix the stamps as
9 hereinafter required, and shall remit the tax collected from
10 retailers to the Department, as hereinafter provided. Any
11 distributor who fails to properly collect and pay the tax
12 imposed by this Act shall be liable for the tax. Any
13 distributor having cigarettes to which stamps have been affixed
14 in his possession for sale on the effective date of this
15 amendatory Act of 1989 shall not be required to pay the
16 additional tax imposed by this amendatory Act of 1989 on such
17 stamped cigarettes. Any distributor having cigarettes to which
18 stamps have been affixed in his or her possession for sale at
19 12:01 a.m. on the effective date of this amendatory Act of
20 1993, is required to pay the additional tax imposed by this
21 amendatory Act of 1993 on such stamped cigarettes. This
22 payment, less the discount provided in subsection (b), shall be
23 due when the distributor first makes a purchase of cigarette
24 tax stamps after the effective date of this amendatory Act of
25 1993, or on the first due date of a return under this Act after
26 the effective date of this amendatory Act of 1993, whichever

1 occurs first. Any distributor having cigarettes to which stamps
2 have been affixed in his possession for sale on December 15,
3 1997 shall not be required to pay the additional tax imposed by
4 this amendatory Act of 1997 on such stamped cigarettes.

5 Any distributor having cigarettes to which stamps have been
6 affixed in his or her possession for sale on July 1, 2002 shall
7 not be required to pay the additional tax imposed by this
8 amendatory Act of the 92nd General Assembly on those stamped
9 cigarettes.

10 Any retailer having cigarettes in his or her possession on
11 June 24, 2012 to which tax stamps have been affixed is not
12 required to pay the additional tax that begins on June 24, 2012
13 imposed by this amendatory Act of the 97th General Assembly on
14 those stamped cigarettes. Any distributor having cigarettes in
15 his or her possession on June 24, 2012 to which tax stamps have
16 been affixed, and any distributor having stamps in his or her
17 possession on June 24, 2012 that have not been affixed to
18 packages of cigarettes before June 24, 2012, is required to pay
19 the additional tax that begins on June 24, 2012 imposed by this
20 amendatory Act of the 97th General Assembly to the extent the
21 calendar year 2012 average monthly volume of cigarette stamps
22 in the distributor's possession exceeds the average monthly
23 volume of cigarette stamps purchased by the distributor in
24 calendar year 2011. This payment, less the discount provided in
25 subsection (b), is due when the distributor first makes a
26 purchase of cigarette stamps on or after June 24, 2012 or on

1 the first due date of a return under this Act occurring on or
2 after June 24, 2012, whichever occurs first. Those distributors
3 may elect to pay the additional tax on packages of cigarettes
4 to which stamps have been affixed and on any stamps in the
5 distributor's possession that have not been affixed to packages
6 of cigarettes over a period not to exceed 12 months from the
7 due date of the additional tax by notifying the Department in
8 writing. The first payment for distributors making such
9 election is due when the distributor first makes a purchase of
10 cigarette tax stamps on or after June 24, 2012 or on the first
11 due date of a return under this Act occurring on or after June
12 24, 2012, whichever occurs first. Distributors making such an
13 election are not entitled to take the discount provided in
14 subsection (b) on such payments.

15 Distributors making sales of cigarettes to secondary
16 distributors shall add the amount of the tax to the price of
17 the cigarettes sold by the distributors. Secondary
18 distributors making sales of cigarettes to retailers shall
19 include the amount of the tax in the price of the cigarettes
20 sold to retailers. The amount of tax shall not be less than the
21 amount of taxes imposed by the State and all local
22 jurisdictions. The amount of local taxes shall be calculated
23 based on the location of the retailer's place of business shown
24 on the retailer's certificate of registration or
25 sub-registration issued to the retailer pursuant to Section 2a
26 of the Retailers' Occupation Tax Act. The original packages of

1 cigarettes sold to the retailer shall bear all the required
2 stamps, or other indicia, for the taxes included in the price
3 of cigarettes.

4 The amount of the Cigarette Tax imposed by this Act shall
5 be separately stated, apart from the price of the goods, by
6 distributors, manufacturer representatives, secondary
7 distributors, and retailers, in all bills and sales invoices.

8 (b) The distributor shall be required to collect the taxes
9 provided under paragraph (a) hereof, and, to cover the costs of
10 such collection, shall be allowed a discount during any year
11 commencing July 1st and ending the following June 30th in
12 accordance with the schedule set out hereinbelow, which
13 discount shall be allowed at the time of purchase of the stamps
14 when purchase is required by this Act, or at the time when the
15 tax is remitted to the Department without the purchase of
16 stamps from the Department when that method of paying the tax
17 is required or authorized by this Act. Prior to December 1,
18 1985, a discount equal to 1 2/3% of the amount of the tax up to
19 and including the first \$700,000 paid hereunder by such
20 distributor to the Department during any such year; 1 1/3% of
21 the next \$700,000 of tax or any part thereof, paid hereunder by
22 such distributor to the Department during any such year; 1% of
23 the next \$700,000 of tax, or any part thereof, paid hereunder
24 by such distributor to the Department during any such year, and
25 2/3 of 1% of the amount of any additional tax paid hereunder by
26 such distributor to the Department during any such year shall

1 apply. On and after December 1, 1985, a discount equal to 1.75%
2 of the amount of the tax payable under this Act up to and
3 including the first \$3,000,000 paid hereunder by such
4 distributor to the Department during any such year and 1.5% of
5 the amount of any additional tax paid hereunder by such
6 distributor to the Department during any such year shall apply.

7 Two or more distributors that use a common means of
8 affixing revenue tax stamps or that are owned or controlled by
9 the same interests shall be treated as a single distributor for
10 the purpose of computing the discount.

11 (c) The taxes herein imposed are in addition to all other
12 occupation or privilege taxes imposed by the State of Illinois,
13 or by any political subdivision thereof, or by any municipal
14 corporation.

15 (Source: P.A. 97-587, eff. 8-26-11; 97-688, eff. 6-14-12;
16 98-273, eff. 8-9-13.)

17 Section 60. The Cigarette Use Tax Act is amended by
18 changing Section 3 as follows:

19 (35 ILCS 135/3) (from Ch. 120, par. 453.33)

20 Sec. 3. Stamp payment. The tax hereby imposed shall be
21 collected by a distributor maintaining a place of business in
22 this State or a distributor authorized by the Department
23 pursuant to Section 7 hereof to collect the tax, and the amount
24 of the tax shall be added to the price of the cigarettes sold

1 by such distributor. Collection of the tax shall be evidenced
2 by a stamp or stamps affixed to each original package of
3 cigarettes or by an authorized substitute for such stamp
4 imprinted on each original package of such cigarettes
5 underneath the sealed transparent outside wrapper of such
6 original package, except as hereinafter provided. Each
7 distributor who is required or authorized to collect the tax
8 herein imposed, before delivering or causing to be delivered
9 any original packages of cigarettes in this State to any
10 purchaser, shall firmly affix a proper stamp or stamps to each
11 such package, or (in the case of manufacturers of cigarettes in
12 original packages which are contained inside a sealed
13 transparent wrapper) shall imprint the required language on the
14 original package of cigarettes beneath such outside wrapper as
15 hereinafter provided. Such stamp or stamps need not be affixed
16 to the original package of any cigarettes with respect to which
17 the distributor is required to affix a like stamp or stamps by
18 virtue of the Cigarette Tax Act, however, and no tax imprint
19 need be placed underneath the sealed transparent wrapper of an
20 original package of cigarettes with respect to which the
21 distributor is required or authorized to employ a like tax
22 imprint by virtue of the Cigarette Tax Act. Any distributor who
23 purchases stamps may credit any excess payments verified by the
24 Department against amounts subsequently due for the purchase of
25 additional stamps, until such time as no excess payment
26 remains.

1 No stamp or imprint may be affixed to, or made upon, any
2 package of cigarettes unless that package complies with all
3 requirements of the federal Cigarette Labeling and Advertising
4 Act, 15 U.S.C. 1331 and following, for the placement of labels,
5 warnings, or any other information upon a package of cigarettes
6 that is sold within the United States. Under the authority of
7 Section 6, the Department shall revoke the license of any
8 distributor that is determined to have violated this paragraph.
9 A person may not affix a stamp on a package of cigarettes,
10 cigarette papers, wrappers, or tubes if that individual package
11 has been marked for export outside the United States with a
12 label or notice in compliance with Section 290.185 of Title 27
13 of the Code of Federal Regulations. It is not a defense to a
14 proceeding for violation of this paragraph that the label or
15 notice has been removed, mutilated, obliterated, or altered in
16 any manner.

17 Only distributors licensed under this Act and
18 transporters, as defined in Section 9c of the Cigarette Tax
19 Act, may possess unstamped original packages of cigarettes.
20 Prior to shipment to an Illinois retailer or secondary
21 distributor, a stamp shall be applied to each original package
22 of cigarettes sold to the retailer or secondary distributor. A
23 distributor may apply a tax stamp only to an original package
24 of cigarettes purchased or obtained directly from an in-state
25 maker, manufacturer, or fabricator licensed as a distributor
26 under Section 4 of this Act or an out-of-state maker,

1 manufacturer, or fabricator holding a permit under Section 7 of
2 this Act. A licensed distributor may ship or otherwise cause to
3 be delivered unstamped original packages of cigarettes in,
4 into, or from this State. A licensed distributor may transport
5 unstamped original packages of cigarettes to a facility,
6 wherever located, owned or controlled by such distributor;
7 however, a distributor may not transport unstamped original
8 packages of cigarettes to a facility where retail sales of
9 cigarettes take place or to a facility where a secondary
10 distributor makes sales for resale. Any licensed distributor
11 that ships or otherwise causes to be delivered unstamped
12 original packages of cigarettes into, within, or from this
13 State shall ensure that the invoice or equivalent documentation
14 and the bill of lading or freight bill for the shipment
15 identifies the true name and address of the consignor or
16 seller, the true name and address of the consignee or
17 purchaser, and the quantity by brand style of the cigarettes so
18 transported, provided that this Section shall not be construed
19 as to impose any requirement or liability upon any common or
20 contract carrier.

21 Distributors making sales of cigarettes to secondary
22 distributors shall add the amount of the tax to the price of
23 the cigarettes sold by the distributors. Secondary
24 distributors making sales of cigarettes to retailers shall
25 include the amount of the tax in the price of the cigarettes
26 sold to retailers. The amount of tax shall not be less than the

1 amount of taxes imposed by the State and all local
2 jurisdictions. The amount of local taxes shall be calculated
3 based on the location of the retailer's place of business shown
4 on the retailer's certificate of registration or
5 sub-registration issued to the retailer pursuant to Section 2a
6 of the Retailers' Occupation Tax Act. The original packages of
7 cigarettes sold by the retailer shall bear all the required
8 stamps, or other indicia, for the taxes included in the price
9 of cigarettes.

10 Stamps, when required hereunder, shall be purchased from
11 the Department, or any person authorized by the Department, by
12 distributors. On and after July 1, 2003, payment for such
13 stamps must be made by means of electronic funds transfer. The
14 Department may refuse to sell stamps to any person who does not
15 comply with the provisions of this Act. Beginning on June 6,
16 2002 and through June 30, 2002, persons holding valid licenses
17 as distributors may purchase cigarette tax stamps up to an
18 amount equal to 115% of the distributor's average monthly
19 cigarette tax stamp purchases over the 12 calendar months prior
20 to June 6, 2002.

21 Prior to December 1, 1985, the Department shall allow a
22 distributor 21 days in which to make final payment of the
23 amount to be paid for such stamps, by allowing the distributor
24 to make payment for the stamps at the time of purchasing them
25 with a draft which shall be in such form as the Department
26 prescribes, and which shall be payable within 21 days

1 thereafter: Provided that such distributor has filed with the
2 Department, and has received the Department's approval of, a
3 bond, which is in addition to the bond required under Section 4
4 of this Act, payable to the Department in an amount equal to
5 80% of such distributor's average monthly tax liability to the
6 Department under this Act during the preceding calendar year or
7 \$500,000, whichever is less. The bond shall be joint and
8 several and shall be in the form of a surety company bond in
9 such form as the Department prescribes, or it may be in the
10 form of a bank certificate of deposit or bank letter of credit.
11 The bond shall be conditioned upon the distributor's payment of
12 the amount of any 21-day draft which the Department accepts
13 from that distributor for the delivery of stamps to that
14 distributor under this Act. The distributor's failure to pay
15 any such draft, when due, shall also make such distributor
16 automatically liable to the Department for a penalty equal to
17 25% of the amount of such draft.

18 On and after December 1, 1985 and until July 1, 2003, the
19 Department shall allow a distributor 30 days in which to make
20 final payment of the amount to be paid for such stamps, by
21 allowing the distributor to make payment for the stamps at the
22 time of purchasing them with a draft which shall be in such
23 form as the Department prescribes, and which shall be payable
24 within 30 days thereafter, and beginning on January 1, 2003 and
25 thereafter, the draft shall be payable by means of electronic
26 funds transfer: Provided that such distributor has filed with

1 the Department, and has received the Department's approval of,
2 a bond, which is in addition to the bond required under Section
3 4 of this Act, payable to the Department in an amount equal to
4 150% of such distributor's average monthly tax liability to the
5 Department under this Act during the preceding calendar year or
6 \$750,000, whichever is less, except that as to bonds filed on
7 or after January 1, 1987, such additional bond shall be in an
8 amount equal to 100% of such distributor's average monthly tax
9 liability under this Act during the preceding calendar year or
10 \$750,000, whichever is less. The bond shall be joint and
11 several and shall be in the form of a surety company bond in
12 such form as the Department prescribes, or it may be in the
13 form of a bank certificate of deposit or bank letter of credit.
14 The bond shall be conditioned upon the distributor's payment of
15 the amount of any 30-day draft which the Department accepts
16 from that distributor for the delivery of stamps to that
17 distributor under this Act. The distributor's failure to pay
18 any such draft, when due, shall also make such distributor
19 automatically liable to the Department for a penalty equal to
20 25% of the amount of such draft.

21 Every prior continuous compliance taxpayer shall be exempt
22 from all requirements under this Section concerning the
23 furnishing of such bond, as defined in this Section, as a
24 condition precedent to his being authorized to engage in the
25 business licensed under this Act. This exemption shall continue
26 for each such taxpayer until such time as he may be determined

1 by the Department to be delinquent in the filing of any
2 returns, or is determined by the Department (either through the
3 Department's issuance of a final assessment which has become
4 final under the Act, or by the taxpayer's filing of a return
5 which admits tax to be due that is not paid) to be delinquent
6 or deficient in the paying of any tax under this Act, at which
7 time that taxpayer shall become subject to the bond
8 requirements of this Section and, as a condition of being
9 allowed to continue to engage in the business licensed under
10 this Act, shall be required to furnish bond to the Department
11 in such form as provided in this Section. Such taxpayer shall
12 furnish such bond for a period of 2 years, after which, if the
13 taxpayer has not been delinquent in the filing of any returns,
14 or delinquent or deficient in the paying of any tax under this
15 Act, the Department may reinstate such person as a prior
16 continuance compliance taxpayer. Any taxpayer who fails to pay
17 an admitted or established liability under this Act may also be
18 required to post bond or other acceptable security with the
19 Department guaranteeing the payment of such admitted or
20 established liability.

21 Except as otherwise provided in this Section, any person
22 aggrieved by any decision of the Department under this Section
23 may, within the time allowed by law, protest and request a
24 hearing before the Department, whereupon the Department shall
25 give notice and shall hold a hearing in conformity with the
26 provisions of this Act and then issue its final administrative

1 decision in the matter to such person. Effective July 1, 2013,
2 protests concerning matters that are subject to the
3 jurisdiction of the Illinois Independent Tax Tribunal shall be
4 filed in accordance with the Illinois Independent Tax Tribunal
5 Act of 2012, and hearings concerning those matters shall be
6 held before the Tribunal in accordance with that Act. With
7 respect to protests filed with the Department prior to July 1,
8 2013 that would otherwise be subject to the jurisdiction of the
9 Illinois Independent Tax Tribunal, the person filing the
10 protest may elect to be subject to the provisions of the
11 Illinois Independent Tax Tribunal Act of 2012 at any time on or
12 after July 1, 2013, but not later than 30 days after the date
13 on which the protest was filed. If made, the election shall be
14 irrevocable. In the absence of such a protest filed within the
15 time allowed by law, the Department's decision shall become
16 final without any further determination being made or notice
17 given.

18 The Department shall discharge any surety and shall release
19 and return any bond or security deposited, assigned, pledged,
20 or otherwise provided to it by a taxpayer under this Section
21 within 30 days after:

22 (1) such Taxpayer becomes a prior continuous
23 compliance taxpayer; or

24 (2) such taxpayer has ceased to collect receipts on
25 which he is required to remit tax to the Department, has
26 filed a final tax return, and has paid to the Department an

1 amount sufficient to discharge his remaining tax liability
2 as determined by the Department under this Act. The
3 Department shall make a final determination of the
4 taxpayer's outstanding tax liability as expeditiously as
5 possible after his final tax return has been filed. If the
6 Department cannot make such final determination within 45
7 days after receiving the final tax return, within such
8 period it shall so notify the taxpayer, stating its reasons
9 therefor.

10 At the time of purchasing such stamps from the Department
11 when purchase is required by this Act, or at the time when the
12 tax which he has collected is remitted by a distributor to the
13 Department without the purchase of stamps from the Department
14 when that method of remitting the tax that has been collected
15 is required or authorized by this Act, the distributor shall be
16 allowed a discount during any year commencing July 1 and ending
17 the following June 30 in accordance with the schedule set out
18 hereinbelow, from the amount to be paid by him to the
19 Department for such stamps, or to be paid by him to the
20 Department on the basis of monthly remittances (as the case may
21 be), to cover the cost, to such distributor, of collecting the
22 tax herein imposed by affixing such stamps to the original
23 packages of cigarettes sold by such distributor or by placing
24 tax imprints underneath the sealed transparent wrapper of
25 original packages of cigarettes sold by such distributor (as
26 the case may be): (1) Prior to December 1, 1985, a discount

1 equal to 1-2/3% of the amount of the tax up to and including
2 the first \$700,000 paid hereunder by such distributor to the
3 Department during any such year; 1-1/3% of the next \$700,000 of
4 tax or any part thereof, paid hereunder by such distributor to
5 the Department during any such year; 1% of the next \$700,000 of
6 tax, or any part thereof, paid hereunder by such distributor to
7 the Department during any such year; and 2/3 of 1% of the
8 amount of any additional tax paid hereunder by such distributor
9 to the Department during any such year or (2) On and after
10 December 1, 1985, a discount equal to 1.75% of the amount of
11 the tax payable under this Act up to and including the first
12 \$3,000,000 paid hereunder by such distributor to the Department
13 during any such year and 1.5% of the amount of any additional
14 tax paid hereunder by such distributor to the Department during
15 any such year.

16 Two or more distributors that use a common means of
17 affixing revenue tax stamps or that are owned or controlled by
18 the same interests shall be treated as a single distributor for
19 the purpose of computing the discount.

20 Cigarette manufacturers who are distributors under Section
21 7(a) of this Act, and who place their cigarettes in original
22 packages which are contained inside a sealed transparent
23 wrapper, shall be required to remit the tax which they are
24 required to collect under this Act to the Department by
25 remitting the amount thereof to the Department by the 5th day
26 of each month, covering cigarettes shipped or otherwise

1 delivered to points in Illinois to purchasers during the
2 preceding calendar month, but a distributor need not remit to
3 the Department the tax so collected by him from purchasers
4 under this Act to the extent to which such distributor is
5 required to remit the tax imposed by the Cigarette Tax Act to
6 the Department with respect to the same cigarettes. All taxes
7 upon cigarettes under this Act are a direct tax upon the retail
8 consumer and shall conclusively be presumed to be precollected
9 for the purpose of convenience and facility only. Cigarette
10 manufacturers that are distributors licensed under Section
11 7(a) of this Act and who place their cigarettes in original
12 packages which are contained inside a sealed transparent
13 wrapper, before delivering such cigarettes or causing such
14 cigarettes to be delivered in this State to purchasers, shall
15 evidence their obligation to collect and remit the tax due with
16 respect to such cigarettes by imprinting language to be
17 prescribed by the Department on each original package of such
18 cigarettes underneath the sealed transparent outside wrapper
19 of such original package, in such place thereon and in such
20 manner as the Department may prescribe; provided (as stated
21 hereinbefore) that this requirement does not apply when such
22 distributor is required or authorized by the Cigarette Tax Act
23 to place the tax imprint provided for in the last paragraph of
24 Section 3 of that Act underneath the sealed transparent wrapper
25 of such original package of cigarettes. Such imprinted language
26 shall acknowledge the manufacturer's collection and payment of

1 or liability for the tax imposed by this Act with respect to
2 such cigarettes.

3 The Department shall adopt the design or designs of the tax
4 stamps and shall procure the printing of such stamps in such
5 amounts and denominations as it deems necessary to provide for
6 the affixation of the proper amount of tax stamps to each
7 original package of cigarettes.

8 Where tax stamps are required, the Department may authorize
9 distributors to affix revenue tax stamps by imprinting tax
10 meter stamps upon original packages of cigarettes. The
11 Department shall adopt rules and regulations relating to the
12 imprinting of such tax meter stamps as will result in payment
13 of the proper taxes as herein imposed. No distributor may affix
14 revenue tax stamps to original packages of cigarettes by
15 imprinting meter stamps thereon unless such distributor has
16 first obtained permission from the Department to employ this
17 method of affixation. The Department shall regulate the use of
18 tax meters and may, to assure the proper collection of the
19 taxes imposed by this Act, revoke or suspend the privilege,
20 theretofore granted by the Department to any distributor, to
21 imprint tax meter stamps upon original packages of cigarettes.

22 The tax hereby imposed and not paid pursuant to this
23 Section shall be paid to the Department directly by any person
24 using such cigarettes within this State, pursuant to Section 12
25 hereof.

26 A distributor shall not affix, or cause to be affixed, any

1 stamp or imprint to a package of cigarettes, as provided for in
2 this Section, if the tobacco product manufacturer, as defined
3 in Section 10 of the Tobacco Product Manufacturers' Escrow Act,
4 that made or sold the cigarettes has failed to become a
5 participating manufacturer, as defined in subdivision (a)(1)
6 of Section 15 of the Tobacco Product Manufacturers' Escrow Act,
7 or has failed to create a qualified escrow fund for any
8 cigarettes manufactured by the tobacco product manufacturer
9 and sold in this State or otherwise failed to bring itself into
10 compliance with subdivision (a)(2) of Section 15 of the Tobacco
11 Product Manufacturers' Escrow Act.

12 (Source: P.A. 96-782, eff. 1-1-10; 96-1027, eff. 7-12-10;
13 97-1129, eff. 8-28-12.)

14 Section 65. The Tobacco Products Tax Act of 1995 is amended
15 by changing Section 10-30 as follows:

16 (35 ILCS 143/10-30)

17 Sec. 10-30. Returns.

18 (a) Every distributor shall, on or before the 15th day of
19 each month, file a return with the Department covering the
20 preceding calendar month. The return shall disclose the
21 wholesale price for all tobacco products other than moist snuff
22 and the quantity in ounces of moist snuff sold or otherwise
23 disposed of and other information that the Department may
24 reasonably require. The return shall be filed upon a form

1 prescribed and furnished by the Department.

2 (b) In addition to the information required under
3 subsection (a), on or before the 15th day of each month,
4 covering the preceding calendar month, each stamping
5 distributor shall, on forms prescribed and furnished by the
6 Department, report the quantity of little cigars sold or
7 otherwise disposed of, including the number of packages of
8 little cigars sold or disposed of during the month containing
9 20 or 25 little cigars.

10 (c) At the time when any return of any distributor is due
11 to be filed with the Department, the distributor shall also
12 remit to the Department the tax liability that the distributor
13 has incurred for transactions occurring in the preceding
14 calendar month.

15 (d) The Department may adopt rules to require the
16 electronic filing of any return or document required to be
17 filed under this Act. Those rules may provide for exceptions
18 from the filing requirement set forth in this paragraph for
19 persons who demonstrate that they do not have access to the
20 Internet and petition the Department to waive the electronic
21 filing requirement.

22 (e) If any payment provided for in this Section exceeds the
23 distributor's liabilities under this Act, as shown on an
24 original return, the distributor may credit such excess payment
25 against liability subsequently to be remitted to the Department
26 under this Act, in accordance with reasonable rules adopted by

1 the Department.

2 (Source: P.A. 97-688, eff. 6-14-12; 98-273, eff. 8-9-13.)

3 Section 70. The Hotel Operators' Occupation Tax Act is
4 amended by changing Section 6 as follows:

5 (35 ILCS 145/6) (from Ch. 120, par. 481b.36)

6 Sec. 6. Filing of returns and distribution of proceeds.

7 Except as provided hereinafter in this Section, on or
8 before the last day of each calendar month, every person
9 engaged in the business of renting, leasing or letting rooms in
10 a hotel in this State during the preceding calendar month shall
11 file a return with the Department, stating:

12 1. The name of the operator;

13 2. His residence address and the address of his
14 principal place of business and the address of the
15 principal place of business (if that is a different
16 address) from which he engages in the business of renting,
17 leasing or letting rooms in a hotel in this State;

18 3. Total amount of rental receipts received by him
19 during the preceding calendar month from renting, leasing
20 or letting rooms during such preceding calendar month;

21 4. Total amount of rental receipts received by him
22 during the preceding calendar month from renting, leasing
23 or letting rooms to permanent residents during such
24 preceding calendar month;

1 5. Total amount of other exclusions from gross rental
2 receipts allowed by this Act;

3 6. Gross rental receipts which were received by him
4 during the preceding calendar month and upon the basis of
5 which the tax is imposed;

6 7. The amount of tax due;

7 8. Such other reasonable information as the Department
8 may require.

9 If the operator's average monthly tax liability to the
10 Department does not exceed \$200, the Department may authorize
11 his returns to be filed on a quarter annual basis, with the
12 return for January, February and March of a given year being
13 due by April 30 of such year; with the return for April, May
14 and June of a given year being due by July 31 of such year; with
15 the return for July, August and September of a given year being
16 due by October 31 of such year, and with the return for
17 October, November and December of a given year being due by
18 January 31 of the following year.

19 If the operator's average monthly tax liability to the
20 Department does not exceed \$50, the Department may authorize
21 his returns to be filed on an annual basis, with the return for
22 a given year being due by January 31 of the following year.

23 Such quarter annual and annual returns, as to form and
24 substance, shall be subject to the same requirements as monthly
25 returns.

26 Notwithstanding any other provision in this Act concerning

1 the time within which an operator may file his return, in the
2 case of any operator who ceases to engage in a kind of business
3 which makes him responsible for filing returns under this Act,
4 such operator shall file a final return under this Act with the
5 Department not more than 1 month after discontinuing such
6 business.

7 Where the same person has more than 1 business registered
8 with the Department under separate registrations under this
9 Act, such person shall not file each return that is due as a
10 single return covering all such registered businesses, but
11 shall file separate returns for each such registered business.

12 In his return, the operator shall determine the value of
13 any consideration other than money received by him in
14 connection with the renting, leasing or letting of rooms in the
15 course of his business and he shall include such value in his
16 return. Such determination shall be subject to review and
17 revision by the Department in the manner hereinafter provided
18 for the correction of returns.

19 Where the operator is a corporation, the return filed on
20 behalf of such corporation shall be signed by the president,
21 vice-president, secretary or treasurer or by the properly
22 accredited agent of such corporation.

23 The person filing the return herein provided for shall, at
24 the time of filing such return, pay to the Department the
25 amount of tax herein imposed. The operator filing the return
26 under this Section shall, at the time of filing such return,

1 pay to the Department the amount of tax imposed by this Act
2 less a discount of 2.1% or \$25 per calendar year, whichever is
3 greater, which is allowed to reimburse the operator for the
4 expenses incurred in keeping records, preparing and filing
5 returns, remitting the tax and supplying data to the Department
6 on request.

7 If any payment provided for in this Section exceeds the
8 operator's liabilities under this Act, as shown on an original
9 return, the Department may authorize the operator to credit
10 such excess payment against liability subsequently to be
11 remitted to the Department under this Act, in accordance with
12 reasonable rules adopted by the Department. If the Department
13 subsequently determines that all or any part of the credit
14 taken was not actually due to the operator, the operator's
15 discount shall be reduced by an amount equal to the difference
16 between the discount as applied to the credit taken and that
17 actually due, and that operator shall be liable for penalties
18 and interest on such difference.

19 There shall be deposited in the Build Illinois Fund in the
20 State Treasury for each State fiscal year 40% of the amount of
21 total net proceeds from the tax imposed by subsection (a) of
22 Section 3. Of the remaining 60%, \$5,000,000 shall be deposited
23 in the Illinois Sports Facilities Fund and credited to the
24 Subsidy Account each fiscal year by making monthly deposits in
25 the amount of 1/8 of \$5,000,000 plus cumulative deficiencies in
26 such deposits for prior months, and an additional \$8,000,000

1 shall be deposited in the Illinois Sports Facilities Fund and
2 credited to the Advance Account each fiscal year by making
3 monthly deposits in the amount of 1/8 of \$8,000,000 plus any
4 cumulative deficiencies in such deposits for prior months;
5 provided, that for fiscal years ending after June 30, 2001, the
6 amount to be so deposited into the Illinois Sports Facilities
7 Fund and credited to the Advance Account each fiscal year shall
8 be increased from \$8,000,000 to the then applicable Advance
9 Amount and the required monthly deposits beginning with July
10 2001 shall be in the amount of 1/8 of the then applicable
11 Advance Amount plus any cumulative deficiencies in those
12 deposits for prior months. (The deposits of the additional
13 \$8,000,000 or the then applicable Advance Amount, as
14 applicable, during each fiscal year shall be treated as
15 advances of funds to the Illinois Sports Facilities Authority
16 for its corporate purposes to the extent paid to the Authority
17 or its trustee and shall be repaid into the General Revenue
18 Fund in the State Treasury by the State Treasurer on behalf of
19 the Authority pursuant to Section 19 of the Illinois Sports
20 Facilities Authority Act, as amended. If in any fiscal year the
21 full amount of the then applicable Advance Amount is not repaid
22 into the General Revenue Fund, then the deficiency shall be
23 paid from the amount in the Local Government Distributive Fund
24 that would otherwise be allocated to the City of Chicago under
25 the State Revenue Sharing Act.)

26 For purposes of the foregoing paragraph, the term "Advance

1 Amount" means, for fiscal year 2002, \$22,179,000, and for
2 subsequent fiscal years through fiscal year 2032, 105.615% of
3 the Advance Amount for the immediately preceding fiscal year,
4 rounded up to the nearest \$1,000.

5 Of the remaining 60% of the amount of total net proceeds
6 prior to August 1, 2011 from the tax imposed by subsection (a)
7 of Section 3 after all required deposits in the Illinois Sports
8 Facilities Fund, the amount equal to 8% of the net revenue
9 realized from this Act plus an amount equal to 8% of the net
10 revenue realized from any tax imposed under Section 4.05 of the
11 Chicago World's Fair-1992 Authority Act during the preceding
12 month shall be deposited in the Local Tourism Fund each month
13 for purposes authorized by Section 605-705 of the Department of
14 Commerce and Economic Opportunity Law (20 ILCS 605/605-705). Of
15 the remaining 60% of the amount of total net proceeds beginning
16 on August 1, 2011 from the tax imposed by subsection (a) of
17 Section 3 after all required deposits in the Illinois Sports
18 Facilities Fund, an amount equal to 8% of the net revenue
19 realized from this Act plus an amount equal to 8% of the net
20 revenue realized from any tax imposed under Section 4.05 of the
21 Chicago World's Fair-1992 Authority Act during the preceding
22 month shall be deposited as follows: 18% of such amount shall
23 be deposited into the Chicago Travel Industry Promotion Fund
24 for the purposes described in subsection (n) of Section 5 of
25 the Metropolitan Pier and Exposition Authority Act and the
26 remaining 82% of such amount shall be deposited into the Local

1 Tourism Fund each month for purposes authorized by Section
2 605-705 of the Department of Commerce and Economic Opportunity
3 Law. Beginning on August 1, 1999 and ending on July 31, 2011,
4 an amount equal to 4.5% of the net revenue realized from the
5 Hotel Operators' Occupation Tax Act during the preceding month
6 shall be deposited into the International Tourism Fund for the
7 purposes authorized in Section 605-707 of the Department of
8 Commerce and Economic Opportunity Law. Beginning on August 1,
9 2011, an amount equal to 4.5% of the net revenue realized from
10 this Act during the preceding month shall be deposited as
11 follows: 55% of such amount shall be deposited into the Chicago
12 Travel Industry Promotion Fund for the purposes described in
13 subsection (n) of Section 5 of the Metropolitan Pier and
14 Exposition Authority Act and the remaining 45% of such amount
15 deposited into the International Tourism Fund for the purposes
16 authorized in Section 605-707 of the Department of Commerce and
17 Economic Opportunity Law. "Net revenue realized for a month"
18 means the revenue collected by the State under that Act during
19 the previous month less the amount paid out during that same
20 month as refunds to taxpayers for overpayment of liability
21 under that Act.

22 After making all these deposits, all other proceeds of the
23 tax imposed under subsection (a) of Section 3 shall be
24 deposited in the Tourism Promotion Fund in the State Treasury.
25 All moneys received by the Department from the additional tax
26 imposed under subsection (b) of Section 3 shall be deposited

1 into the Build Illinois Fund in the State Treasury.

2 The Department may, upon separate written notice to a
3 taxpayer, require the taxpayer to prepare and file with the
4 Department on a form prescribed by the Department within not
5 less than 60 days after receipt of the notice an annual
6 information return for the tax year specified in the notice.
7 Such annual return to the Department shall include a statement
8 of gross receipts as shown by the operator's last State income
9 tax return. If the total receipts of the business as reported
10 in the State income tax return do not agree with the gross
11 receipts reported to the Department for the same period, the
12 operator shall attach to his annual information return a
13 schedule showing a reconciliation of the 2 amounts and the
14 reasons for the difference. The operator's annual information
15 return to the Department shall also disclose pay roll
16 information of the operator's business during the year covered
17 by such return and any additional reasonable information which
18 the Department deems would be helpful in determining the
19 accuracy of the monthly, quarterly or annual tax returns by
20 such operator as hereinbefore provided for in this Section.

21 If the annual information return required by this Section
22 is not filed when and as required the taxpayer shall be liable
23 for a penalty in an amount determined in accordance with
24 Section 3-4 of the Uniform Penalty and Interest Act until such
25 return is filed as required, the penalty to be assessed and
26 collected in the same manner as any other penalty provided for

1 in this Act.

2 The chief executive officer, proprietor, owner or highest
3 ranking manager shall sign the annual return to certify the
4 accuracy of the information contained therein. Any person who
5 willfully signs the annual return containing false or
6 inaccurate information shall be guilty of perjury and punished
7 accordingly. The annual return form prescribed by the
8 Department shall include a warning that the person signing the
9 return may be liable for perjury.

10 The foregoing portion of this Section concerning the filing
11 of an annual information return shall not apply to an operator
12 who is not required to file an income tax return with the
13 United States Government.

14 (Source: P.A. 100-23, eff. 7-6-17.)

15 Section 75. The Live Adult Entertainment Facility
16 Surcharge Act is amended by changing Section 10 as follows:

17 (35 ILCS 175/10)

18 Sec. 10. Surcharge imposed; returns.

19 (a) An annual surcharge is imposed upon each operator who
20 operates a live adult entertainment facility in this State. By
21 January 20, 2014, and by January 20 of each year thereafter,
22 each operator shall elect to pay the surcharge according to
23 either item (1) or item (2) of this subsection.

24 (1) An operator who elects to be subject to this item

1 (1) shall pay to the Department a surcharge imposed upon
2 admissions to a live adult entertainment facility operated
3 by the operator in this State in an amount equal to \$3 per
4 person admitted to that live adult entertainment facility.
5 This item (1) does not require a live entertainment
6 facility to impose a fee on a customer of the facility. An
7 operator has the discretion to determine the manner in
8 which the facility derives the moneys required to pay the
9 surcharge imposed under this Section. In the event that an
10 operator has not filed the applicable returns under the
11 Retailers' Occupation Tax Act for a full calendar year
12 prior to any January 20, then such operator shall pay the
13 surcharge under this Act pursuant to this item (1) for
14 moneys owed to the Department subject to this Act for the
15 previous calendar year.

16 (2) An operator may, in the alternative, pay to the
17 Department the surcharge as follows:

18 (A) If the gross receipts received by the live
19 adult entertainment facility during the preceding
20 calendar year, upon the basis of which a tax is imposed
21 under Section 2 of the Retailers' Occupation Tax Act,
22 are equal or greater than \$2,000,000 during the
23 preceding calendar year, and if the operator elects to
24 be subject to this item (2), then the operator shall
25 pay the Department a surcharge of \$25,000.

26 (B) If the gross receipts received by the live

1 adult entertainment facility during the preceding
2 calendar year, upon the basis of which a tax is imposed
3 under Section 2 of the Retailers' Occupation Tax Act,
4 are equal to or greater than \$500,000 but less than
5 \$2,000,000 during the preceding calendar year, and if
6 the operator elects to be subject to this item (2),
7 then the operator shall pay to the Department a
8 surcharge of \$15,000.

9 (C) If the gross receipts received by the live
10 adult entertainment facility during the preceding
11 calendar year, upon the basis of which a tax is imposed
12 under Section 2 of the Retailers' Occupation Tax Act,
13 are less than \$500,000 during the preceding calendar
14 year, and if the operator elects to be subject to this
15 item (2), then the operator shall pay the Department a
16 surcharge of \$5,000.

17 (b) For each live adult entertainment facility paying the
18 surcharge as set forth in item (1) of subsection (a) of this
19 Section, the operator must file a return electronically as
20 provided by the Department and remit payment to the Department
21 on an annual basis no later than January 20 covering the
22 previous calendar year. Each return made to the Department must
23 state the following:

24 (1) the name of the operator;

25 (2) the address of the live adult entertainment
26 facility and the address of the principal place of business

1 (if that is a different address) of the operator;

2 (3) the total number of admissions to the facility in
3 the preceding calendar year; and

4 (4) the total amount of surcharge collected in the
5 preceding calendar year.

6 Notwithstanding any other provision of this subsection
7 concerning the time within which an operator may file his or
8 her return, if an operator ceases to operate a live adult
9 entertainment facility, then he or she must file a final return
10 under this Act with the Department not more than one calendar
11 month after discontinuing that business.

12 (c) For each live adult entertainment facility paying the
13 surcharge as set forth in item (2) of subsection (a) of this
14 Section, the operator must file a return electronically as
15 provided by the Department and remit payment to the Department
16 on an annual basis no later than January 20 covering the
17 previous calendar year. Each return made to the Department must
18 state the following:

19 (1) the name of the operator;

20 (2) the address of the live adult entertainment
21 facility and the address of the principal place of business
22 (if that is a different address) of the operator;

23 (3) the gross receipts received by the live adult
24 entertainment facility during the preceding calendar year,
25 upon the basis of which tax is imposed under Section 2 of
26 the Retailers' Occupation Tax Act; and

1 (4) the applicable surcharge from Section 10(a)(2) of
2 this Act to be paid by the operator.

3 Notwithstanding any other provision of this subsection
4 concerning the time within which an operator may file his or
5 her return, if an operator ceases to operate a live adult
6 entertainment facility, then he or she must file a final return
7 under this Act with the Department not more than one calendar
8 month after discontinuing that business.

9 (d) Beginning January 1, 2014, the Department shall pay all
10 proceeds collected from the surcharge imposed under this Act
11 into the Sexual Assault Services and Prevention Fund, less 2%
12 of those proceeds, which shall be paid into the Tax Compliance
13 and Administration Fund in the State treasury from which it
14 shall be appropriated to the Department to cover the costs of
15 the Department in administering and enforcing the provisions of
16 this Act.

17 (e) If any payment provided for in this Section exceeds the
18 operator's liabilities under this Act, as shown on an original
19 return, the operator may credit such excess payment against
20 liability subsequently to be remitted to the Department under
21 this Act, in accordance with reasonable rules adopted by the
22 Department.

23 (Source: P.A. 97-1035, eff. 1-1-13.)

24 Section 80. The Illinois Hydraulic Fracturing Tax Act is
25 amended by changing Sections 2-45 and 2-50 as follows:

1 (35 ILCS 450/2-45)

2 Sec. 2-45. Purchaser's return and tax remittance. Each
3 purchaser shall make a return to the Department showing the
4 quantity of oil or gas purchased during the month for which the
5 return is filed, the price paid therefor, total value, the name
6 and address of the operator or other person from whom the same
7 was purchased, a description of the production unit in the
8 manner prescribed by the Department from which such oil or gas
9 was severed and the amount of tax due from each production unit
10 for each calendar month. All taxes due, or to be remitted, by
11 the purchaser shall accompany this return. The return shall be
12 filed on or before the last day of the month after the calendar
13 month for which the return is required. The Department shall
14 forward the necessary information to each Chief County
15 Assessment Officer for the administration and application of ad
16 valorem real property taxes at the county level. This
17 information shall be forwarded to the Chief County Assessment
18 Officers in a yearly summary before March 1 of the following
19 calendar year. The Department may require any additional report
20 or information it may deem necessary for the proper
21 administration of this Act.

22 Such returns shall be filed electronically in the manner
23 prescribed by the Department. Purchasers shall make all
24 payments of that tax to the Department by electronic funds
25 transfer unless, as provided by rule, the Department grants an

1 exception upon petition of a purchaser. Purchasers' returns
2 must be accompanied by appropriate computer generated magnetic
3 media supporting schedule data in the format required by the
4 Department, unless, as provided by rule, the Department grants
5 an exception upon petition of a purchaser.

6 If any payment provided for in this Section exceeds the
7 purchaser's liabilities under this Act, as shown on an original
8 return, the purchaser may credit such excess payment against
9 liability subsequently to be remitted to the Department under
10 this Act, in accordance with reasonable rules adopted by the
11 Department.

12 (Source: P.A. 98-22, eff. 6-17-13; 98-23, eff. 6-17-13; 98-756,
13 eff. 7-16-14.)

14 (35 ILCS 450/2-50)

15 Sec. 2-50. Operator returns; payment of tax.

16 (a) If, on or after July 1, 2013, oil or gas is transported
17 off the production unit where severed by the operator, used on
18 the production unit where severed, or if the manufacture and
19 conversion of oil and gas into refined products occurs on the
20 production unit where severed, the operator is responsible for
21 remitting the tax imposed under subsection (a) of Section 2-15,
22 on or before the last day of the month following the end of the
23 calendar month in which the oil and gas is removed from the
24 production unit, and such payment shall be accompanied by a
25 return to the Department showing the gross quantity of oil or

1 gas removed during the month for which the return is filed, the
2 price paid therefor, and if no price is paid therefor, the
3 value of the oil and gas, a description of the production unit
4 from which such oil or gas was severed, and the amount of tax.
5 The Department may require any additional information it may
6 deem necessary for the proper administration of this Act.

7 (b) Operators shall file all returns electronically in the
8 manner prescribed by the Department unless, as provided by
9 rule, the Department grants an exception upon petition of an
10 operator. Operators shall make all payments of that tax to the
11 Department by electronic funds transfer unless, as provided by
12 rule, the Department grants an exception upon petition of an
13 operator. Operators' returns must be accompanied by
14 appropriate computer generated magnetic media supporting
15 schedule data in the format required by the Department, unless,
16 as provided by rule, the Department grants an exception upon
17 petition of a purchaser.

18 (c) Any operator who makes a monetary payment to a producer
19 for his or her portion of the value of products from a
20 production unit shall withhold from such payment the amount of
21 tax due from the producer. Any operator who pays any tax due
22 from a producer shall be entitled to reimbursement from the
23 producer for the tax so paid and may take credit for such
24 amount from any monetary payment to the producer for the value
25 of products. To the extent that an operator required to collect
26 the tax imposed by this Act has actually collected that tax,

1 such tax is held in trust for the benefit of the State of
2 Illinois.

3 (d) In the event the operator fails to make payment of the
4 tax to the State as required herein, the operator shall be
5 liable for the tax. A producer shall be entitled to bring an
6 action against such operator to recover the amount of tax so
7 withheld together with penalties and interest which may have
8 accrued by failure to make such payment. A producer shall be
9 entitled to all attorney fees and court costs incurred in such
10 action. To the extent that a producer liable for the tax
11 imposed by this Act collects the tax, and any penalties and
12 interest, from an operator, such tax, penalties, and interest
13 are held in trust by the producer for the benefit of the State
14 of Illinois.

15 (e) When the title to any oil or gas severed from the earth
16 or water is in dispute and the operator of such oil or gas is
17 withholding payments on account of litigation, or for any other
18 reason, such operator is hereby authorized, empowered and
19 required to deduct from the gross amount thus held the amount
20 of the tax imposed and to make remittance thereof to the
21 Department as provided in this Section.

22 (f) An operator required to file a return and pay the tax
23 under this Section shall register with the Department.
24 Application for a certificate of registration shall be made to
25 the Department upon forms furnished by the Department and shall
26 contain any reasonable information the Department may require.

1 Upon receipt of the application for a certificate of
2 registration in proper form, the Department shall issue to the
3 applicant a certificate of registration.

4 (g) If oil or gas is transported off the production unit
5 where severed by the operator and sold to a purchaser or
6 refiner, the State shall have a lien on all the oil or gas
7 severed from the production unit in this State in the hands of
8 the operator, the first or any subsequent purchaser thereof, or
9 refiner to secure the payment of the tax. If a lien is filed by
10 the Department, the purchaser or refiner shall withhold from
11 the operator the amount of tax, penalty and interest identified
12 in the lien.

13 (h) If any payment provided for in this Section exceeds the
14 operator's liabilities under this Act, as shown on an original
15 return, the operator may credit such excess payment against
16 liability subsequently to be remitted to the Department under
17 this Act, in accordance with reasonable rules adopted by the
18 Department.

19 (Source: P.A. 98-22, eff. 6-17-13; 98-756, eff. 7-16-14.)

20 Section 83. The Motor Fuel Tax Law is amended by changing
21 Sections 2b, 5, 5a, 13, 13a.4, and 13a.5 as follows:

22 (35 ILCS 505/2b) (from Ch. 120, par. 418b)

23 Sec. 2b. Receiver's monthly return. In addition to the tax
24 collection and reporting responsibilities imposed elsewhere in

1 this Act, a person who is required to pay the tax imposed by
2 Section 2a of this Act shall pay the tax to the Department by
3 return showing all fuel purchased, acquired or received and
4 sold, distributed or used during the preceding calendar month
5 including losses of fuel as the result of evaporation or
6 shrinkage due to temperature variations, and such other
7 reasonable information as the Department may require. Losses of
8 fuel as the result of evaporation or shrinkage due to
9 temperature variations may not exceed 1% of the total gallons
10 in storage at the beginning of the month, plus the receipts of
11 gallonage during the month, minus the gallonage remaining in
12 storage at the end of the month. Any loss reported that is in
13 excess of this amount shall be subject to the tax imposed by
14 Section 2a of this Law. On and after July 1, 2001, for each
15 6-month period January through June, net losses of fuel (for
16 each category of fuel that is required to be reported on a
17 return) as the result of evaporation or shrinkage due to
18 temperature variations may not exceed 1% of the total gallons
19 in storage at the beginning of each January, plus the receipts
20 of gallonage each January through June, minus the gallonage
21 remaining in storage at the end of each June. On and after July
22 1, 2001, for each 6-month period July through December, net
23 losses of fuel (for each category of fuel that is required to
24 be reported on a return) as the result of evaporation or
25 shrinkage due to temperature variations may not exceed 1% of
26 the total gallons in storage at the beginning of each July,

1 plus the receipts of gallonage each July through December,
2 minus the gallonage remaining in storage at the end of each
3 December. Any net loss reported that is in excess of this
4 amount shall be subject to the tax imposed by Section 2a of
5 this Law. For purposes of this Section, "net loss" means the
6 number of gallons gained through temperature variations minus
7 the number of gallons lost through temperature variations or
8 evaporation for each of the respective 6-month periods.

9 The return shall be prescribed by the Department and shall
10 be filed between the 1st and 20th days of each calendar month.
11 The Department may, in its discretion, combine the returns
12 filed under this Section, Section 5, and Section 5a of this
13 Act. The return must be accompanied by appropriate
14 computer-generated magnetic media supporting schedule data in
15 the format required by the Department, unless, as provided by
16 rule, the Department grants an exception upon petition of a
17 taxpayer. If the return is filed timely, the seller shall take
18 a discount of 2% through June 30, 2003 and 1.75% thereafter
19 which is allowed to reimburse the seller for the expenses
20 incurred in keeping records, preparing and filing returns,
21 collecting and remitting the tax and supplying data to the
22 Department on request. The discount, however, shall be
23 applicable only to the amount of payment which accompanies a
24 return that is filed timely in accordance with this Section.

25 If any payment provided for in this Section exceeds the
26 receiver's liabilities under this Act, as shown on an original

1 return, the Department may authorize the receiver to credit
2 such excess payment against liability subsequently to be
3 remitted to the Department under this Act, in accordance with
4 reasonable rules adopted by the Department. If the Department
5 subsequently determines that all or any part of the credit
6 taken was not actually due to the receiver, the receiver's
7 discount shall be reduced by an amount equal to the difference
8 between the discount as applied to the credit taken and that
9 actually due, and that receiver shall be liable for penalties
10 and interest on such difference.

11 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

12 (35 ILCS 505/5) (from Ch. 120, par. 421)

13 Sec. 5. Distributor's monthly return. Except as hereinafter
14 provided, a person holding a valid unrevoked license to act as
15 a distributor of motor fuel shall, between the 1st and 20th
16 days of each calendar month, make return to the Department,
17 showing an itemized statement of the number of invoiced gallons
18 of motor fuel of the types specified in this Section which were
19 purchased, acquired, received, or exported during the
20 preceding calendar month; the amount of such motor fuel
21 produced, refined, compounded, manufactured, blended, sold,
22 distributed, exported, and used by the licensed distributor
23 during the preceding calendar month; the amount of such motor
24 fuel lost or destroyed during the preceding calendar month; the
25 amount of such motor fuel on hand at the close of business for

1 such month; and such other reasonable information as the
2 Department may require. If a distributor's only activities with
3 respect to motor fuel are either: (1) production of alcohol in
4 quantities of less than 10,000 proof gallons per year or (2)
5 blending alcohol in quantities of less than 10,000 proof
6 gallons per year which such distributor has produced, he shall
7 file returns on an annual basis with the return for a given
8 year being due by January 20 of the following year.
9 Distributors whose total production of alcohol (whether
10 blended or not) exceeds 10,000 proof gallons per year, based on
11 production during the preceding (calendar) year or as
12 reasonably projected by the Department if one calendar year's
13 record of production cannot be established, shall file returns
14 between the 1st and 20th days of each calendar month as
15 hereinabove provided.

16 The types of motor fuel referred to in the preceding
17 paragraph are: (A) All products commonly or commercially known
18 or sold as gasoline (including casing-head and absorption or
19 natural gasoline), gasohol, motor benzol or motor benzene
20 regardless of their classification or uses; and (B) all
21 combustible gases, not including liquefied natural gas, which
22 exist in a gaseous state at 60 degrees Fahrenheit and at 14.7
23 pounds per square inch absolute including, but not limited to,
24 liquefied petroleum gases used for highway purposes; and (C)
25 special fuel. Only those quantities of combustible gases
26 (example (B) above) which are used or sold by the distributor

1 to be used to propel motor vehicles on the public highways, or
2 which are delivered into a storage tank that is located at a
3 facility that has withdrawal facilities which are readily
4 accessible to and are capable of dispensing combustible gases
5 into the fuel supply tanks of motor vehicles, shall be subject
6 to return. Distributors of liquefied natural gas are not
7 required to make returns under this Section with respect to
8 that liquefied natural gas unless (i) the liquefied natural gas
9 is dispensed into the fuel supply tank of any motor vehicle or
10 (ii) the liquefied natural gas is delivered into a storage tank
11 that is located at a facility that has withdrawal facilities
12 which are readily accessible to and are capable of dispensing
13 liquefied natural gas into the fuel supply tanks of motor
14 vehicles. For purposes of this Section, a facility is
15 considered to have withdrawal facilities that are not "readily
16 accessible to and capable of dispensing combustible gases into
17 the fuel supply tanks of motor vehicles" only if the
18 combustible gases or liquefied natural gas are delivered from:
19 (i) a dispenser hose that is short enough so that it will not
20 reach the fuel supply tank of a motor vehicle or (ii) a
21 dispenser that is enclosed by a fence or other physical barrier
22 so that a vehicle cannot pull alongside the dispenser to permit
23 fueling. For the purposes of this Act, liquefied petroleum
24 gases shall mean and include any material having a vapor
25 pressure not exceeding that allowed for commercial propane
26 composed predominantly of the following hydrocarbons, either

1 by themselves or as mixtures: Propane, Propylene, Butane
2 (normal butane or iso-butane) and Butylene (including
3 isomers).

4 In case of a sale of special fuel to someone other than a
5 licensed distributor, or a licensed supplier, for a use other
6 than in motor vehicles, the distributor shall show in his
7 return the amount of invoiced gallons sold and the name and
8 address of the purchaser in addition to any other information
9 the Department may require.

10 All special fuel sold or used for non-highway purposes must
11 have a dye added in accordance with Section 4d of this Law.

12 In case of a tax-free sale, as provided in Section 6, of
13 motor fuel which the distributor is required by this Section to
14 include in his return to the Department, the distributor in his
15 return shall show: (1) If the sale is made to another licensed
16 distributor the amount sold and the name, address and license
17 number of the purchasing distributor; (2) if the sale is made
18 to a person where delivery is made outside of this State the
19 name and address of such purchaser and the point of delivery
20 together with the date and amount delivered; (3) if the sale is
21 made to the Federal Government or its instrumentalities the
22 amount sold; (4) if the sale is made to a municipal corporation
23 owning and operating a local transportation system for public
24 service in this State the name and address of such purchaser,
25 and the amount sold, as evidenced by official forms of
26 exemption certificates properly executed and furnished by such

1 purchaser; (5) if the sale is made to a privately owned public
2 utility owning and operating 2-axle vehicles designed and used
3 for transporting more than 7 passengers, which vehicles are
4 used as common carriers in general transportation of
5 passengers, are not devoted to any specialized purpose and are
6 operated entirely within the territorial limits of a single
7 municipality or of any group of contiguous municipalities or in
8 a close radius thereof, and the operations of which are subject
9 to the regulations of the Illinois Commerce Commission, then
10 the name and address of such purchaser and the amount sold as
11 evidenced by official forms of exemption certificates properly
12 executed and furnished by the purchaser; (6) if the product
13 sold is special fuel and if the sale is made to a licensed
14 supplier under conditions which qualify the sale for tax
15 exemption under Section 6 of this Act, the amount sold and the
16 name, address and license number of the purchaser; and (7) if a
17 sale of special fuel is made to someone other than a licensed
18 distributor, or a licensed supplier, for a use other than in
19 motor vehicles, by making a specific notation thereof on the
20 invoice or sales slip covering such sales and obtaining such
21 supporting documentation as may be required by the Department.

22 All special fuel sold or used for non-highway purposes must
23 have a dye added in accordance with Section 4d of this Law.

24 A person whose license to act as a distributor of motor
25 fuel has been revoked shall make a return to the Department
26 covering the period from the date of the last return to the

1 date of the revocation of the license, which return shall be
2 delivered to the Department not later than 10 days from the
3 date of the revocation or termination of the license of such
4 distributor; the return shall in all other respects be subject
5 to the same provisions and conditions as returns by
6 distributors licensed under the provisions of this Act.

7 The records, waybills and supporting documents kept by
8 railroads and other common carriers in the regular course of
9 business shall be prima facie evidence of the contents and
10 receipt of cars or tanks covered by those records, waybills or
11 supporting documents.

12 If the Department has reason to believe and does believe
13 that the amount shown on the return as purchased, acquired,
14 received, exported, sold, used, lost or destroyed is incorrect,
15 or that an amount of motor fuel of the types required by the
16 second paragraph of this Section to be reported to the
17 Department has not been correctly reported the Department shall
18 fix an amount for such receipt, sales, export, use, loss or
19 destruction according to its best judgment and information,
20 which amount so fixed by the Department shall be prima facie
21 correct. All returns shall be made on forms prepared and
22 furnished by the Department, and shall contain such other
23 information as the Department may reasonably require. The
24 return must be accompanied by appropriate computer-generated
25 magnetic media supporting schedule data in the format required
26 by the Department, unless, as provided by rule, the Department

1 grants an exception upon petition of a taxpayer. All licensed
2 distributors shall report all losses of motor fuel sustained on
3 account of fire, theft, spillage, spoilage, leakage, or any
4 other provable cause when filing the return for the period
5 during which the loss occurred. If the distributor reports
6 losses due to fire or theft, then the distributor must include
7 fire department or police department reports and any other
8 documentation that the Department may require. The mere making
9 of the report does not assure the allowance of the loss as a
10 reduction in tax liability. Losses of motor fuel as the result
11 of evaporation or shrinkage due to temperature variations may
12 not exceed 1% of the total gallons in storage at the beginning
13 of the month, plus the receipts of gallonage during the month,
14 minus the gallonage remaining in storage at the end of the
15 month. Any loss reported that is in excess of 1% shall be
16 subject to the tax imposed by Section 2 of this Law. On and
17 after July 1, 2001, for each 6-month period January through
18 June, net losses of motor fuel (for each category of motor fuel
19 that is required to be reported on a return) as the result of
20 evaporation or shrinkage due to temperature variations may not
21 exceed 1% of the total gallons in storage at the beginning of
22 each January, plus the receipts of gallonage each January
23 through June, minus the gallonage remaining in storage at the
24 end of each June. On and after July 1, 2001, for each 6-month
25 period July through December, net losses of motor fuel (for
26 each category of motor fuel that is required to be reported on

1 a return) as the result of evaporation or shrinkage due to
2 temperature variations may not exceed 1% of the total gallons
3 in storage at the beginning of each July, plus the receipts of
4 gallonage each July through December, minus the gallonage
5 remaining in storage at the end of each December. Any net loss
6 reported that is in excess of this amount shall be subject to
7 the tax imposed by Section 2 of this Law. For purposes of this
8 Section, "net loss" means the number of gallons gained through
9 temperature variations minus the number of gallons lost through
10 temperature variations or evaporation for each of the
11 respective 6-month periods.

12 If any payment provided for in this Section exceeds the
13 distributor's liabilities under this Act, as shown on an
14 original return, the Department may authorize the distributor
15 to credit such excess payment against liability subsequently to
16 be remitted to the Department under this Act, in accordance
17 with reasonable rules adopted by the Department. If the
18 Department subsequently determines that all or any part of the
19 credit taken was not actually due to the distributor, the
20 distributor's discount shall be reduced by an amount equal to
21 the difference between the discount as applied to the credit
22 taken and that actually due, and that distributor shall be
23 liable for penalties and interest on such difference.

24 (Source: P.A. 100-9, eff. 7-1-17.)

25 (35 ILCS 505/5a) (from Ch. 120, par. 421a)

1 Sec. 5a. Supplier's monthly return. A person holding a
2 valid unrevoked license to act as a supplier of special fuel
3 shall, between the 1st and 20th days of each calendar month,
4 make return to the Department showing an itemized statement of
5 the number of invoiced gallons of special fuel acquired,
6 received, purchased, sold, exported, or used during the
7 preceding calendar month; the amount of special fuel sold,
8 distributed, exported, and used by the licensed supplier during
9 the preceding calendar month; the amount of special fuel lost
10 or destroyed during the preceding calendar month; the amount of
11 special fuel on hand at the close of business for the preceding
12 calendar month; and such other reasonable information as the
13 Department may require.

14 A person whose license to act as a supplier of special fuel
15 has been revoked shall make a return to the Department covering
16 the period from the date of the last return to the date of the
17 revocation of the license, which return shall be delivered to
18 the Department not later than 10 days from the date of the
19 revocation or termination of the license of such supplier. The
20 return shall in all other respects be subject to the same
21 provisions and conditions as returns by suppliers licensed
22 under this Act.

23 The records, waybills and supporting documents kept by
24 railroads and other common carriers in the regular course of
25 business shall be prima facie evidence of the contents and
26 receipt of cars or tanks covered by those records, waybills or

1 supporting documents.

2 If the Department has reason to believe and does believe
3 that the amount shown on the return as purchased, acquired,
4 received, sold, exported, used, or lost is incorrect, or that
5 an amount of special fuel of the type required by the 1st
6 paragraph of this Section to be reported to the Department by
7 suppliers has not been correctly reported as a purchase,
8 receipt, sale, use, export, or loss the Department shall fix an
9 amount for such purchase, receipt, sale, use, export, or loss
10 according to its best judgment and information, which amount so
11 fixed by the Department shall be prima facie correct. All
12 licensed suppliers shall report all losses of special fuel
13 sustained on account of fire, theft, spillage, spoilage,
14 leakage, or any other provable cause when filing the return for
15 the period during which the loss occurred. If the supplier
16 reports losses due to fire or theft, then the supplier must
17 include fire department or police department reports and any
18 other documentation that the Department may require. The mere
19 making of the report does not assure the allowance of the loss
20 as a reduction in tax liability. Losses of special fuel as the
21 result of evaporation or shrinkage due to temperature
22 variations may not exceed 1% of the total gallons in storage at
23 the beginning of the month, plus the receipts of gallonage
24 during the month, minus the gallonage remaining in storage at
25 the end of the month.

26 Any loss reported that is in excess of 1% shall be subject

1 to the tax imposed by Section 2 of this Law. On and after July
2 1, 2001, for each 6-month period January through June, net
3 losses of special fuel (for each category of special fuel that
4 is required to be reported on a return) as the result of
5 evaporation or shrinkage due to temperature variations may not
6 exceed 1% of the total gallons in storage at the beginning of
7 each January, plus the receipts of gallonage each January
8 through June, minus the gallonage remaining in storage at the
9 end of each June. On and after July 1, 2001, for each 6-month
10 period July through December, net losses of special fuel (for
11 each category of special fuel that is required to be reported
12 on a return) as the result of evaporation or shrinkage due to
13 temperature variations may not exceed 1% of the total gallons
14 in storage at the beginning of each July, plus the receipts of
15 gallonage each July through December, minus the gallonage
16 remaining in storage at the end of each December. Any net loss
17 reported that is in excess of this amount shall be subject to
18 the tax imposed by Section 2 of this Law. For purposes of this
19 Section, "net loss" means the number of gallons gained through
20 temperature variations minus the number of gallons lost through
21 temperature variations or evaporation for each of the
22 respective 6-month periods.

23 In case of a sale of special fuel to someone other than a
24 licensed distributor or licensed supplier for a use other than
25 in motor vehicles, the supplier shall show in his return the
26 amount of invoiced gallons sold and the name and address of the

1 purchaser in addition to any other information the Department
2 may require.

3 All special fuel sold or used for non-highway purposes must
4 have a dye added in accordance with Section 4d of this Law.

5 All returns shall be made on forms prepared and furnished
6 by the Department and shall contain such other information as
7 the Department may reasonably require. The return must be
8 accompanied by appropriate computer-generated magnetic media
9 supporting schedule data in the format required by the
10 Department, unless, as provided by rule, the Department grants
11 an exception upon petition of a taxpayer.

12 In case of a tax-free sale, as provided in Section 6a, of
13 special fuel which the supplier is required by this Section to
14 include in his return to the Department, the supplier in his
15 return shall show: (1) If the sale of special fuel is made to
16 the Federal Government or its instrumentalities; (2) if the
17 sale of special fuel is made to a municipal corporation owning
18 and operating a local transportation system for public service
19 in this State, the name and address of such purchaser and the
20 amount sold, as evidenced by official forms of exemption
21 certificates properly executed and furnished by such
22 purchaser; (3) if the sale of special fuel is made to a
23 privately owned public utility owning and operating 2-axle
24 vehicles designed and used for transporting more than 7
25 passengers, which vehicles are used as common carriers in
26 general transportation of passengers, are not devoted to any

1 specialized purpose and are operated entirely within the
2 territorial limits of a single municipality or of any group of
3 contiguous municipalities or in a close radius thereof, and the
4 operations of which are subject to the regulations of the
5 Illinois Commerce Commission, then the name and address of such
6 purchaser and the amount sold, as evidenced by official forms
7 of exemption certificates properly executed and furnished by
8 such purchaser; (4) if the product sold is special fuel and if
9 the sale is made to a licensed supplier or to a licensed
10 distributor under conditions which qualify the sale for tax
11 exemption under Section 6a of this Act, the amount sold and the
12 name, address and license number of such purchaser; (5) if a
13 sale of special fuel is made to a person where delivery is made
14 outside of this State, the name and address of such purchaser
15 and the point of delivery together with the date and amount of
16 invoiced gallons delivered; and (6) if a sale of special fuel
17 is made to someone other than a licensed distributor or a
18 licensed supplier, for a use other than in motor vehicles, by
19 making a specific notation thereof on the invoice or sales slip
20 covering that sale and obtaining such supporting documentation
21 as may be required by the Department.

22 All special fuel sold or used for non-highway purposes must
23 have a dye added in accordance with Section 4d of this Law.

24 If any payment provided for in this Section exceeds the
25 supplier's liabilities under this Act, as shown on an original
26 return, the Department may authorize the supplier to credit

1 such excess payment against liability subsequently to be
2 remitted to the Department under this Act, in accordance with
3 reasonable rules adopted by the Department. If the Department
4 subsequently determines that all or any part of the credit
5 taken was not actually due to the supplier, the supplier's
6 discount shall be reduced by an amount equal to the difference
7 between the discount as applied to the credit taken and that
8 actually due, and that supplier shall be liable for penalties
9 and interest on such difference.

10 (Source: P.A. 96-1384, eff. 7-29-10.)

11 (35 ILCS 505/13) (from Ch. 120, par. 429)

12 Sec. 13. Refund of tax paid. Any person other than a
13 distributor or supplier, who loses motor fuel through any cause
14 or uses motor fuel (upon which he has paid the amount required
15 to be collected under Section 2 of this Act) for any purpose
16 other than operating a motor vehicle upon the public highways
17 or waters, shall be reimbursed and repaid the amount so paid.

18 Any person who purchases motor fuel in Illinois and uses
19 that motor fuel in another state and that other state imposes a
20 tax on the use of such motor fuel shall be reimbursed and
21 repaid the amount of Illinois tax paid under Section 2 of this
22 Act on the motor fuel used in such other state. Reimbursement
23 and repayment shall be made by the Department upon receipt of
24 adequate proof of taxes directly paid to another state and the
25 amount of motor fuel used in that state.

1 Claims based in whole or in part on taxes paid to another
2 state shall include (i) a certified copy of the tax return
3 filed with such other state by the claimant; (ii) a copy of
4 either the cancelled check paying the tax due on such return,
5 or a receipt acknowledging payment of the tax due on such tax
6 return; and (iii) such other information as the Department may
7 reasonably require. This paragraph shall not apply to taxes
8 paid on returns filed under Section 13a.3 of this Act.

9 Any person who purchases motor fuel use tax decals as
10 required by Section 13a.4 and pays an amount of fees for such
11 decals that exceeds the amount due shall be reimbursed and
12 repaid the amount of the decal fees that are deemed by the
13 department to be in excess of the amount due. Alternatively,
14 any person who purchases motor fuel use tax decals as required
15 by Section 13a.4 may credit any excess decal payment verified
16 by the Department against amounts subsequently due for the
17 purchase of additional decals, until such time as no excess
18 payment remains.

19 Claims for such reimbursement must be made to the
20 Department of Revenue, duly verified by the claimant (or by the
21 claimant's legal representative if the claimant has died or
22 become a person under legal disability), upon forms prescribed
23 by the Department. The claim must state such facts relating to
24 the purchase, importation, manufacture or production of the
25 motor fuel by the claimant as the Department may deem
26 necessary, and the time when, and the circumstances of its loss

1 or the specific purpose for which it was used (as the case may
2 be), together with such other information as the Department may
3 reasonably require. No claim based upon idle time shall be
4 allowed. Claims for reimbursement for overpayment of decal fees
5 shall be made to the Department of Revenue, duly verified by
6 the claimant (or by the claimant's legal representative if the
7 claimant has died or become a person under legal disability),
8 upon forms prescribed by the Department. The claim shall state
9 facts relating to the overpayment of decal fees, together with
10 such other information as the Department may reasonably
11 require. Claims for reimbursement of overpayment of decal fees
12 paid on or after January 1, 2011 must be filed not later than
13 one year after the date on which the fees were paid by the
14 claimant. If it is determined that the Department should
15 reimburse a claimant for overpayment of decal fees, the
16 Department shall first apply the amount of such refund against
17 any tax or penalty or interest due by the claimant under
18 Section 13a of this Act.

19 Claims for full reimbursement for taxes paid on or before
20 December 31, 1999 must be filed not later than one year after
21 the date on which the tax was paid by the claimant. If,
22 however, a claim for such reimbursement otherwise meeting the
23 requirements of this Section is filed more than one year but
24 less than 2 years after that date, the claimant shall be
25 reimbursed at the rate of 80% of the amount to which he would
26 have been entitled if his claim had been timely filed.

1 Claims for full reimbursement for taxes paid on or after
2 January 1, 2000 must be filed not later than 2 years after the
3 date on which the tax was paid by the claimant.

4 The Department may make such investigation of the
5 correctness of the facts stated in such claims as it deems
6 necessary. When the Department has approved any such claim, it
7 shall pay to the claimant (or to the claimant's legal
8 representative, as such if the claimant has died or become a
9 person under legal disability) the reimbursement provided in
10 this Section, out of any moneys appropriated to it for that
11 purpose.

12 Any distributor or supplier who has paid the tax imposed by
13 Section 2 of this Act upon motor fuel lost or used by such
14 distributor or supplier for any purpose other than operating a
15 motor vehicle upon the public highways or waters may file a
16 claim for credit or refund to recover the amount so paid. Such
17 claims shall be filed on forms prescribed by the Department.
18 Such claims shall be made to the Department, duly verified by
19 the claimant (or by the claimant's legal representative if the
20 claimant has died or become a person under legal disability),
21 upon forms prescribed by the Department. The claim shall state
22 such facts relating to the purchase, importation, manufacture
23 or production of the motor fuel by the claimant as the
24 Department may deem necessary and the time when the loss or
25 nontaxable use occurred, and the circumstances of its loss or
26 the specific purpose for which it was used (as the case may

1 be), together with such other information as the Department may
2 reasonably require. Claims must be filed not later than one
3 year after the date on which the tax was paid by the claimant.

4 The Department may make such investigation of the
5 correctness of the facts stated in such claims as it deems
6 necessary. When the Department approves a claim, the Department
7 shall issue a refund or credit memorandum as requested by the
8 taxpayer, to the distributor or supplier who made the payment
9 for which the refund or credit is being given or, if the
10 distributor or supplier has died or become incompetent, to such
11 distributor's or supplier's legal representative, as such. The
12 amount of such credit memorandum shall be credited against any
13 tax due or to become due under this Act from the distributor or
14 supplier who made the payment for which credit has been given.

15 Any credit or refund that is allowed under this Section
16 shall bear interest at the rate and in the manner specified in
17 the Uniform Penalty and Interest Act.

18 In case the distributor or supplier requests and the
19 Department determines that the claimant is entitled to a
20 refund, such refund shall be made only from such appropriation
21 as may be available for that purpose. If it appears unlikely
22 that the amount appropriated would permit everyone having a
23 claim allowed during the period covered by such appropriation
24 to elect to receive a cash refund, the Department, by rule or
25 regulation, shall provide for the payment of refunds in
26 hardship cases and shall define what types of cases qualify as

1 hardship cases.

2 In any case in which there has been an erroneous refund of
3 tax or fees payable under this Section, a notice of tax
4 liability may be issued at any time within 3 years from the
5 making of that refund, or within 5 years from the making of
6 that refund if it appears that any part of the refund was
7 induced by fraud or the misrepresentation of material fact. The
8 amount of any proposed assessment set forth by the Department
9 shall be limited to the amount of the erroneous refund.

10 If no tax is due and no proceeding is pending to determine
11 whether such distributor or supplier is indebted to the
12 Department for tax, the credit memorandum so issued may be
13 assigned and set over by the lawful holder thereof, subject to
14 reasonable rules of the Department, to any other licensed
15 distributor or supplier who is subject to this Act, and the
16 amount thereof applied by the Department against any tax due or
17 to become due under this Act from such assignee.

18 If the payment for which the distributor's or supplier's
19 claim is filed is held in the protest fund of the State
20 Treasury during the pendency of the claim for credit
21 proceedings pursuant to the order of the court in accordance
22 with Section 2a of the State Officers and Employees Money
23 Disposition Act and if it is determined by the Department or by
24 the final order of a reviewing court under the Administrative
25 Review Law that the claimant is entitled to all or a part of
26 the credit claimed, the claimant, instead of receiving a credit

1 memorandum from the Department, shall receive a cash refund
2 from the protest fund as provided for in Section 2a of the
3 State Officers and Employees Money Disposition Act.

4 If any person ceases to be licensed as a distributor or
5 supplier while still holding an unused credit memorandum issued
6 under this Act, such person may, at his election (instead of
7 assigning the credit memorandum to a licensed distributor or
8 licensed supplier under this Act), surrender such unused credit
9 memorandum to the Department and receive a refund of the amount
10 to which such person is entitled.

11 For claims based upon taxes paid on or before December 31,
12 2000, a claim based upon the use of undyed diesel fuel shall
13 not be allowed except (i) if allowed under the following
14 paragraph or (ii) for undyed diesel fuel used by a commercial
15 vehicle, as that term is defined in Section 1-111.8 of the
16 Illinois Vehicle Code, for any purpose other than operating the
17 commercial vehicle upon the public highways and unlicensed
18 commercial vehicles operating on private property. Claims
19 shall be limited to commercial vehicles that are operated for
20 both highway purposes and any purposes other than operating
21 such vehicles upon the public highways.

22 For claims based upon taxes paid on or after January 1,
23 2000, a claim based upon the use of undyed diesel fuel shall
24 not be allowed except (i) if allowed under the preceding
25 paragraph or (ii) for claims for the following:

26 (1) Undyed diesel fuel used (i) in a manufacturing

1 process, as defined in Section 2-45 of the Retailers'
2 Occupation Tax Act, wherein the undyed diesel fuel becomes
3 a component part of a product or by-product, other than
4 fuel or motor fuel, when the use of dyed diesel fuel in
5 that manufacturing process results in a product that is
6 unsuitable for its intended use or (ii) for testing
7 machinery and equipment in a manufacturing process, as
8 defined in Section 2-45 of the Retailers' Occupation Tax
9 Act, wherein the testing takes place on private property.

10 (2) Undyed diesel fuel used by a manufacturer on
11 private property in the research and development, as
12 defined in Section 1.29, of machinery or equipment intended
13 for manufacture.

14 (3) Undyed diesel fuel used by a single unit
15 self-propelled agricultural fertilizer implement, designed
16 for on and off road use, equipped with flotation tires and
17 specially adapted for the application of plant food
18 materials or agricultural chemicals.

19 (4) Undyed diesel fuel used by a commercial motor
20 vehicle for any purpose other than operating the commercial
21 motor vehicle upon the public highways. Claims shall be
22 limited to commercial motor vehicles that are operated for
23 both highway purposes and any purposes other than operating
24 such vehicles upon the public highways.

25 (5) Undyed diesel fuel used by a unit of local
26 government in its operation of an airport if the undyed

1 diesel fuel is used directly in airport operations on
2 airport property.

3 (6) Undyed diesel fuel used by refrigeration units that
4 are permanently mounted to a semitrailer, as defined in
5 Section 1.28 of this Law, wherein the refrigeration units
6 have a fuel supply system dedicated solely for the
7 operation of the refrigeration units.

8 (7) Undyed diesel fuel used by power take-off equipment
9 as defined in Section 1.27 of this Law.

10 (8) Beginning on the effective date of this amendatory
11 Act of the 94th General Assembly, undyed diesel fuel used
12 by tugs and spotter equipment to shift vehicles or parcels
13 on both private and airport property. Any claim under this
14 item (8) may be made only by a claimant that owns tugs and
15 spotter equipment and operates that equipment on both
16 private and airport property. The aggregate of all credits
17 or refunds resulting from claims filed under this item (8)
18 by a claimant in any calendar year may not exceed \$100,000.
19 A claim may not be made under this item (8) by the same
20 claimant more often than once each quarter. For the
21 purposes of this item (8), "tug" means a vehicle designed
22 for use on airport property that shifts custom-designed
23 containers of parcels from loading docks to aircraft, and
24 "spotter equipment" means a vehicle designed for use on
25 both private and airport property that shifts trailers
26 containing parcels between staging areas and loading

1 docks.

2 Any person who has paid the tax imposed by Section 2 of
3 this Law upon undyed diesel fuel that is unintentionally mixed
4 with dyed diesel fuel and who owns or controls the mixture of
5 undyed diesel fuel and dyed diesel fuel may file a claim for
6 refund to recover the amount paid. The amount of undyed diesel
7 fuel unintentionally mixed must equal 500 gallons or more. Any
8 claim for refund of unintentionally mixed undyed diesel fuel
9 and dyed diesel fuel shall be supported by documentation
10 showing the date and location of the unintentional mixing, the
11 number of gallons involved, the disposition of the mixed diesel
12 fuel, and any other information that the Department may
13 reasonably require. Any unintentional mixture of undyed diesel
14 fuel and dyed diesel fuel shall be sold or used only for
15 non-highway purposes.

16 The Department shall promulgate regulations establishing
17 specific limits on the amount of undyed diesel fuel that may be
18 claimed for refund.

19 For purposes of claims for refund, "loss" means the
20 reduction of motor fuel resulting from fire, theft, spillage,
21 spoilage, leakage, or any other provable cause, but does not
22 include a reduction resulting from evaporation, or shrinkage
23 due to temperature variations. In the case of losses due to
24 fire or theft, the claimant must include fire department or
25 police department reports and any other documentation that the
26 Department may require.

1 (Source: P.A. 96-1384, eff. 7-29-10.)

2 (35 ILCS 505/13a.4) (from Ch. 120, par. 429a4)

3 Sec. 13a.4. Except as provided in Section 13a.5 of this
4 Act, no motor carrier shall operate in Illinois without first
5 securing a motor fuel use tax license and decals from the
6 Department or a motor fuel use tax license and decals issued
7 under the International Fuel Tax Agreement by any member
8 jurisdiction. Notwithstanding any other provision of this
9 Section to the contrary, however, the Director of Revenue or
10 his designee may, upon determining that a disaster exists in
11 Illinois or in any other jurisdiction ~~state~~, temporarily waive
12 the licensing requirements of this Section for commercial motor
13 vehicles that travel through Illinois, or return to Illinois
14 from a point outside Illinois, for the purpose of assisting in
15 disaster relief efforts. Temporary waiver of the licensing
16 requirements of this Section shall not exceed a period of 30
17 days from the date the Director temporarily waives the
18 licensing requirements of this Section. For purposes of this
19 Section, a disaster includes flood, tornado, hurricane, fire,
20 earthquake, or any other disaster that causes or threatens loss
21 of life or destruction or damage to property of such a
22 magnitude as to endanger the public health, safety, and
23 welfare. The licensing requirements of this Section shall be
24 temporarily waived only if the operator of the commercial motor
25 vehicle can provide proof by manifest that the commercial motor

1 vehicle is traveling through Illinois or returning to Illinois
2 from a point outside Illinois for purposes of assisting in
3 disaster relief efforts. Application for such license and
4 decals shall be made annually to the Department on forms
5 prescribed by the Department. The application shall be under
6 oath, and shall contain such information as the Department
7 deems necessary. The Department, for cause, may require an
8 applicant to post a bond on a form to be approved by and with a
9 surety or sureties satisfactory to the Department conditioned
10 upon such applicant paying to the State of Illinois all monies
11 becoming due by reason of the sale or use of motor fuel by the
12 applicant, together with all penalties and interest thereon. If
13 a bond is required, it shall be equal to at least twice the
14 estimated average tax liability of a quarterly return. The
15 Department shall fix the penalty of such bond in each case
16 taking into consideration the amount of motor fuel expected to
17 be used by such applicant and the penalty fixed by the
18 Department shall be such as, in its opinion, will protect the
19 State of Illinois against failure to pay the amount hereinafter
20 provided on motor fuel used. No person who is in default to the
21 State for monies due under this Act for the sale, distribution
22 or use of motor fuel shall receive such a license or decal.

23 Upon receipt of the application for license in proper form,
24 and upon payment of any required \$100 reinstatement fee, and
25 upon approval by the Department of the bond furnished by the
26 applicant, the Department may issue to such applicant a license

1 which allows the operation of commercial motor vehicles in
2 Illinois, and decals for each commercial motor vehicle
3 operating in Illinois. Prior to January 1, 1985, motor fuel use
4 tax licenses shall be conspicuously displayed in the cab of
5 each commercial motor vehicle operating in Illinois. After
6 January 1, 1986, motor fuel use tax licenses shall be carried
7 in the cab of each commercial motor vehicle operating in
8 Illinois.

9 The Department shall, by regulation, provide for the use of
10 reproductions of original motor fuel use tax licenses in lieu
11 of issuing multiple original motor fuel use tax licenses to
12 licensees.

13 On and after January 1, 1985, external motor fuel tax
14 decals shall be conspicuously displayed on the passenger side
15 of each commercial motor vehicle propelled by motor fuel
16 operating in Illinois, except buses, which may display such
17 devices on the driver's side of the vehicle. Beginning with the
18 effective date of this amendatory Act of 1993 or the membership
19 of the State of Illinois in the International Fuel Tax
20 Agreement, whichever is later, the decals issued to the
21 licensee shall be placed on both exterior sides of the cab. In
22 the case of transporters, manufacturers, dealers, or driveway
23 operations, the decals need not be permanently affixed but may
24 be temporarily displayed in a visible manner on the exterior
25 sides of the cab. Failure to display the decals in the required
26 locations may subject the vehicle operator to the purchase of a

1 trip permit and a citation. Such motor fuel tax decals shall be
2 issued by the Department and remain valid for a period of 2
3 calendar years, beginning January 1, 1985. The decals shall
4 expire at the end of the regular 2 year issuance period, with
5 new decals required to be displayed at that time. Beginning
6 January 1, 1993, the motor fuel decals shall be issued by the
7 Department and remain valid for a period of one calendar year.
8 The decals shall expire at the end of the regular one year
9 issuance period, with new decals required to be displayed at
10 that time. Decals shall be no larger than 3 inches by 3 inches.
11 Prior to January 1, 1993, a fee of \$7.50 shall be charged by
12 the Department for each decal issued prior to and during the 2
13 calendar years such decal is valid. Beginning January 1, 1993,
14 a fee of \$3.75 shall be charged by the Department for each
15 decal issued prior to and during the calendar year such decal
16 is valid. Beginning January 1, 1994, \$3.75 shall be charged for
17 a set of 2 decals. The Department may also prescribe procedures
18 for the issuance of replacement decals, with a maximum fee of
19 \$2 for each set of replacement decals issued. The transfer of
20 decals from one vehicle to another vehicle or from one motor
21 carrier to another motor carrier is prohibited. The fees paid
22 for the decals issued under this Section shall be deposited in
23 the Motor Fuel Tax Fund, and may be appropriated to the
24 Department for administration of this Section and enforcement
25 of the tax imposed by Section 13a of this Act.

26 To avoid duplicate reporting of mileage and payment of any

1 tax arising therefrom under Section 13a.3 of this Act, the
2 Department shall, by regulation, provide for the allocation
3 between lessors and lessees of the same commercial motor
4 vehicle or vehicles of the responsibility as a motor carrier
5 for the reporting of mileage and the liability for tax arising
6 under Section 13a.3 of this Act, and for registration,
7 furnishing of bond, carrying of motor fuel use tax licenses,
8 and display of decals under this Section, and for all other
9 duties imposed upon motor carriers by this Act.

10 (Source: P.A. 96-1384, eff. 7-29-10.)

11 (35 ILCS 505/13a.5) (from Ch. 120, par. 429a5)

12 Sec. 13a.5. As to a commercial motor vehicle operated in
13 Illinois in the course of interstate traffic by a motor carrier
14 not holding a motor fuel use tax license issued under this Act,
15 a single trip permit authorizing operation of such commercial
16 motor vehicle for a single trip into the State of Illinois,
17 through the State of Illinois, or from a point on the border of
18 this State to a point within and return to the border may be
19 issued by the Department or its agents after proper
20 application. The fee for each single trip permit shall be \$40
21 and such single trip permit shall be valid for a period of 96
22 hours. This fee shall be in lieu of the tax required by Section
23 13a of this Act, all reports required by Section 13a.3 of this
24 Act, and the registration, decal display and furnishing of bond
25 required by Section 13a.4 of this Act. Notwithstanding any

1 other provision of this Section to the contrary, however, the
2 Director of Revenue or his designee may, upon determining that
3 a disaster exists in Illinois or in any other jurisdiction
4 ~~state~~, temporarily waive the permit provisions of this Section
5 for commercial motor vehicles that travel into the State of
6 Illinois, through Illinois, or return to Illinois from a point
7 outside Illinois, for the purpose of assisting in disaster
8 relief efforts. Temporary waiver of the permit provisions of
9 this Section shall not exceed a period of 30 days from the date
10 the Director waives the permit provisions of this Section. For
11 purposes of this Section, a disaster includes flood, tornado,
12 hurricane, fire, earthquake, or any other disaster that causes
13 or threatens loss of life or destruction or damage to property
14 of such a magnitude as to endanger the public health, safety,
15 and welfare. The permit provisions of this Section shall be
16 temporarily waived only if the operator of the commercial motor
17 vehicle can provide proof by manifest that the commercial motor
18 vehicle is traveling through Illinois or returning to Illinois
19 from a point outside Illinois for purposes of assisting in
20 disaster relief efforts. Rules or regulations promulgated by
21 the Department under this Section shall provide for reasonable
22 and proper limitations and restrictions governing application
23 for and issuance and use of, single trip permits, so as to
24 preclude evasion of the license requirement in Section 13a.4.

25 (Source: P.A. 96-1384, eff. 7-29-10.)

1 Section 85. The Gas Revenue Tax Act is amended by changing
2 Sections 2a.2 and 3 as follows:

3 (35 ILCS 615/2a.2) (from Ch. 120, par. 467.17a.2)

4 Sec. 2a.2. Annual return, collection and payment. - A
5 return with respect to the tax imposed by Section 2a.1 shall be
6 made by every person for any taxable period for which such
7 person is liable for such tax. Such return shall be made on
8 such forms as the Department shall prescribe and shall contain
9 the following information:

10 1. Taxpayer's name;

11 2. Address of taxpayer's principal place of business,
12 and address of the principal place of business (if that is
13 a different address) from which the taxpayer engages in the
14 business of distributing, supplying, furnishing or selling
15 gas in this State;

16 3. The total proprietary capital and total long-term
17 debt as of the beginning and end of the taxable period as
18 set forth on the balance sheets included in the taxpayer's
19 annual report to the Illinois Commerce Commission for the
20 taxable period;

21 4. The taxpayer's base income allocable to Illinois
22 under Sections 301 and 304(a) of the "Illinois Income Tax
23 Act", for the period covered by the return;

24 5. The amount of tax due for the taxable period
25 (computed on the basis of the amounts set forth in Items 3

1 and 4); and

2 6. Such other reasonable information as may be required
3 by forms or regulations prescribed by the Department.

4 The returns prescribed by this Section shall be due and
5 shall be filed with the Department not later than the 15th day
6 of the third month following the close of the taxable period.
7 The taxpayer making the return herein provided for shall, at
8 the time of making such return, pay to the Department the
9 remaining amount of tax herein imposed and due for the taxable
10 period. Each taxpayer shall make estimated quarterly payments
11 on the 15th day of the third, sixth, ninth and twelfth months
12 of each taxable period. Such estimated payments shall be 25% of
13 the tax liability for the immediately preceding taxable period
14 or the tax liability that would have been imposed in the
15 immediately preceding taxable period if this amendatory Act of
16 1979 had been in effect. All moneys received by the Department
17 under Sections 2a.1 and 2a.2 shall be paid into the Personal
18 Property Tax Replacement Fund in the State Treasury.

19 If any payment provided for in this Section exceeds the
20 taxpayer's liabilities under this Act, as shown on an original
21 return, the Department may authorize the taxpayer to credit
22 such excess payment against liability subsequently to be
23 remitted to the Department under this Act, in accordance with
24 reasonable rules adopted by the Department.

25 (Source: P.A. 87-205.)

1 (35 ILCS 615/3) (from Ch. 120, par. 467.18)

2 Sec. 3. Return of taxpayer; payment of tax. Except as
3 provided in this Section, on or before the 15th day of each
4 month, each taxpayer shall make a return to the Department for
5 the preceding calendar month, stating:

6 1. His name;

7 2. The address of his principal place of business, and
8 the address of the principal place of business (if that is
9 a different address) from which he engages in the business
10 of distributing, supplying, furnishing or selling gas in
11 this State;

12 3. The total number of therms for which payment was
13 received by him from customers during the preceding
14 calendar month and upon the basis of which the tax is
15 imposed;

16 4. Gross receipts which were received by him from
17 customers during the preceding calendar month from such
18 business, including budget plan and other customer-owned
19 amounts applied during such month in payment of charges
20 includible in gross receipts, and upon the basis of which
21 the tax is imposed;

22 5. Amount of tax (computed upon Items 3 and 4);

23 6. Such other reasonable information as the Department
24 may require.

25 In making such return the taxpayer may use any reasonable
26 method to derive reportable "therms" and "gross receipts" from

1 his billing and payment records.

2 Any taxpayer required to make payments under this Section
3 may make the payments by electronic funds transfer. The
4 Department shall adopt rules necessary to effectuate a program
5 of electronic funds transfer.

6 If the taxpayer's average monthly tax liability to the
7 Department does not exceed \$100.00, the Department may
8 authorize his returns to be filed on a quarter annual basis,
9 with the return for January, February and March of a given year
10 being due by April 30 of such year; with the return for April,
11 May and June of a given year being due by July 31 of such year;
12 with the return for July, August and September of a given year
13 being due by October 31 of such year, and with the return for
14 October, November and December of a given year being due by
15 January 31 of the following year.

16 If the taxpayer's average monthly tax liability to the
17 Department does not exceed \$20.00, the Department may authorize
18 his returns to be filed on an annual basis, with the return for
19 a given year being due by January 31 of the following year.

20 Such quarter annual and annual returns, as to form and
21 substance, shall be subject to the same requirements as monthly
22 returns.

23 Notwithstanding any other provision in this Act concerning
24 the time within which a taxpayer may file his return, in the
25 case of any taxpayer who ceases to engage in a kind of business
26 which makes him responsible for filing returns under this Act,

1 such taxpayer shall file a final return under this Act with the
2 Department not more than one month after discontinuing such
3 business.

4 In making such return the taxpayer shall determine the
5 value of any reportable consideration other than money received
6 by him and shall include such value in his return. Such
7 determination shall be subject to review and revision by the
8 Department in the same manner as is provided in this Act for
9 the correction of returns.

10 Each taxpayer whose average monthly liability to the
11 Department under this Act was \$10,000 or more during the
12 preceding calendar year, excluding the month of highest
13 liability and the month of lowest liability in such calendar
14 year, and who is not operated by a unit of local government,
15 shall make estimated payments to the Department on or before
16 the 7th, 15th, 22nd and last day of the month during which tax
17 liability to the Department is incurred in an amount not less
18 than the lower of either 22.5% of the taxpayer's actual tax
19 liability for the month or 25% of the taxpayer's actual tax
20 liability for the same calendar month of the preceding year.
21 The amount of such quarter monthly payments shall be credited
22 against the final tax liability of the taxpayer's return for
23 that month. Any outstanding credit, approved by the Department,
24 arising from the taxpayer's overpayment of its final tax
25 liability for any month may be applied to reduce the amount of
26 any subsequent quarter monthly payment or credited against the

1 final tax liability of the taxpayer's return for any subsequent
2 month. If any quarter monthly payment is not paid at the time
3 or in the amount required by this Section, the taxpayer shall
4 be liable for penalty and interest on the difference between
5 the minimum amount due as a payment and the amount of such
6 payment actually and timely paid, except insofar as the
7 taxpayer has previously made payments for that month to the
8 Department in excess of the minimum payments previously due.

9 If the Director finds that the information required for the
10 making of an accurate return cannot reasonably be compiled by a
11 taxpayer within 15 days after the close of the calendar month
12 for which a return is to be made, he may grant an extension of
13 time for the filing of such return for a period of not to
14 exceed 31 calendar days. The granting of such an extension may
15 be conditioned upon the deposit by the taxpayer with the
16 Department of an amount of money not exceeding the amount
17 estimated by the Director to be due with the return so
18 extended. All such deposits, including any made before the
19 effective date of this amendatory Act of 1975 with the
20 Department, shall be credited against the taxpayer's
21 liabilities under this Act. If any such deposit exceeds the
22 taxpayer's present and probable future liabilities under this
23 Act, the Department shall issue to the taxpayer a credit
24 memorandum, which may be assigned by the taxpayer to a similar
25 taxpayer under this Act, in accordance with reasonable rules
26 and regulations to be prescribed by the Department.

1 The taxpayer making the return provided for in this Section
2 shall, at the time of making such return, pay to the Department
3 the amount of tax imposed by this Act. All moneys received by
4 the Department under this Act shall be paid into the General
5 Revenue Fund in the State Treasury, except as otherwise
6 provided.

7 If any payment provided for in this Section exceeds the
8 taxpayer's liabilities under this Act, as shown on an original
9 return, the Department may authorize the taxpayer to credit
10 such excess payment against liability subsequently to be
11 remitted to the Department under this Act, in accordance with
12 reasonable rules adopted by the Department.

13 (Source: P.A. 90-16, eff. 6-16-97.)

14 Section 90. The Public Utilities Revenue Act is amended by
15 changing Section 2a.2 as follows:

16 (35 ILCS 620/2a.2) (from Ch. 120, par. 469a.2)

17 Sec. 2a.2. Annual return, collection and payment. A return
18 with respect to the tax imposed by Section 2a.1 shall be made
19 by every person for any taxable period for which such person is
20 liable for such tax. Such return shall be made on such forms as
21 the Department shall prescribe and shall contain the following
22 information:

23 1. Taxpayer's name;

24 2. Address of taxpayer's principal place of business,

1 and address of the principal place of business (if that is
2 a different address) from which the taxpayer engages in the
3 business of distributing electricity in this State;

4 3. The total equity, in the case of electric
5 cooperatives, in the annual reports filed with the Rural
6 Utilities Service for the taxable period;

7 3a. The total kilowatt-hours of electricity
8 distributed by a taxpayer, other than an electric
9 cooperative, in this State for the taxable period covered
10 by the return;

11 4. The amount of tax due for the taxable period
12 (computed on the basis of the amounts set forth in Items 3
13 and 3a); and

14 5. Such other reasonable information as may be required
15 by forms or regulations prescribed by the Department.

16 The returns prescribed by this Section shall be due and
17 shall be filed with the Department not later than the 15th day
18 of the third month following the close of the taxable period.
19 The taxpayer making the return herein provided for shall, at
20 the time of making such return, pay to the Department the
21 remaining amount of tax herein imposed and due for the taxable
22 period. Each taxpayer shall make estimated quarterly payments
23 on the 15th day of the third, sixth, ninth and twelfth months
24 of each taxable period. Such estimated payments shall be 25% of
25 the tax liability for the immediately preceding taxable period
26 or the tax liability that would have been imposed in the

1 immediately preceding taxable period if this amendatory Act of
2 1979 had been in effect. All moneys received by the Department
3 under Sections 2a.1 and 2a.2 shall be paid into the Personal
4 Property Tax Replacement Fund in the State Treasury.

5 If any payment provided for in this Section exceeds the
6 taxpayer's liabilities under this Act, as shown on an original
7 return, the taxpayer may credit such excess payment against
8 liability subsequently to be remitted to the Department under
9 this Act, in accordance with reasonable rules adopted by the
10 Department.

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

12 Section 95. The Telecommunications Excise Tax Act is
13 amended by changing Section 6 as follows:

14 (35 ILCS 630/6) (from Ch. 120, par. 2006)

15 Sec. 6. Returns; payments. Except as provided hereinafter
16 in this Section, on or before the last day of each month, each
17 retailer maintaining a place of business in this State shall
18 make a return to the Department for the preceding calendar
19 month, stating:

20 1. His name;

21 2. The address of his principal place of business, or
22 the address of the principal place of business (if that is
23 a different address) from which he engages in the business
24 of transmitting telecommunications;

1 3. Total amount of gross charges billed by him during
2 the preceding calendar month for providing
3 telecommunications during such calendar month;

4 4. Total amount received by him during the preceding
5 calendar month on credit extended;

6 5. Deductions allowed by law;

7 6. Gross charges which were billed by him during the
8 preceding calendar month and upon the basis of which the
9 tax is imposed;

10 7. Amount of tax (computed upon Item 6);

11 8. Such other reasonable information as the Department
12 may require.

13 Any taxpayer required to make payments under this Section
14 may make the payments by electronic funds transfer. The
15 Department shall adopt rules necessary to effectuate a program
16 of electronic funds transfer. Any taxpayer who has average
17 monthly tax billings due to the Department under this Act and
18 the Simplified Municipal Telecommunications Tax Act that
19 exceed \$1,000 shall make all payments by electronic funds
20 transfer as required by rules of the Department and shall file
21 the return required by this Section by electronic means as
22 required by rules of the Department.

23 If the retailer's average monthly tax billings due to the
24 Department under this Act and the Simplified Municipal
25 Telecommunications Tax Act do not exceed \$1,000, the Department
26 may authorize his returns to be filed on a quarter annual

1 basis, with the return for January, February and March of a
2 given year being due by April 30 of such year; with the return
3 for April, May and June of a given year being due by July 31st
4 of such year; with the return for July, August and September of
5 a given year being due by October 31st of such year; and with
6 the return of October, November and December of a given year
7 being due by January 31st of the following year.

8 If the retailer is otherwise required to file a monthly or
9 quarterly return and if the retailer's average monthly tax
10 billings due to the Department under this Act and the
11 Simplified Municipal Telecommunications Tax Act do not exceed
12 \$400, the Department may authorize his or her return to be
13 filed on an annual basis, with the return for a given year
14 being due by January 31st of the following year.

15 Notwithstanding any other provision of this Article
16 containing the time within which a retailer may file his
17 return, in the case of any retailer who ceases to engage in a
18 kind of business which makes him responsible for filing returns
19 under this Article, such retailer shall file a final return
20 under this Article with the Department not more than one month
21 after discontinuing such business.

22 In making such return, the retailer shall determine the
23 value of any consideration other than money received by him and
24 he shall include such value in his return. Such determination
25 shall be subject to review and revision by the Department in
26 the manner hereinafter provided for the correction of returns.

1 Each retailer whose average monthly liability to the
2 Department under this Article and the Simplified Municipal
3 Telecommunications Tax Act was \$25,000 or more during the
4 preceding calendar year, excluding the month of highest
5 liability and the month of lowest liability in such calendar
6 year, and who is not operated by a unit of local government,
7 shall make estimated payments to the Department on or before
8 the 7th, 15th, 22nd and last day of the month during which tax
9 collection liability to the Department is incurred in an amount
10 not less than the lower of either 22.5% of the retailer's
11 actual tax collections for the month or 25% of the retailer's
12 actual tax collections for the same calendar month of the
13 preceding year. The amount of such quarter monthly payments
14 shall be credited against the final liability of the retailer's
15 return for that month. Any outstanding credit, approved by the
16 Department, arising from the retailer's overpayment of its
17 final liability for any month may be applied to reduce the
18 amount of any subsequent quarter monthly payment or credited
19 against the final liability of the retailer's return for any
20 subsequent month. If any quarter monthly payment is not paid at
21 the time or in the amount required by this Section, the
22 retailer shall be liable for penalty and interest on the
23 difference between the minimum amount due as a payment and the
24 amount of such payment actually and timely paid, except insofar
25 as the retailer has previously made payments for that month to
26 the Department in excess of the minimum payments previously

1 due.

2 The retailer making the return herein provided for shall,
3 at the time of making such return, pay to the Department the
4 amount of tax herein imposed, less a discount of 1% which is
5 allowed to reimburse the retailer for the expenses incurred in
6 keeping records, billing the customer, preparing and filing
7 returns, remitting the tax, and supplying data to the
8 Department upon request. No discount may be claimed by a
9 retailer on returns not timely filed and for taxes not timely
10 remitted.

11 If any payment provided for in this Section exceeds the
12 retailer's liabilities under this Act, as shown on an original
13 return, the Department may authorize the retailer to credit
14 such excess payment against liability subsequently to be
15 remitted to the Department under this Act, in accordance with
16 reasonable rules adopted by the Department. If the Department
17 subsequently determines that all or any part of the credit
18 taken was not actually due to the retailer, the retailer's
19 discount shall be reduced by an amount equal to the difference
20 between the discount as applied to the credit taken and that
21 actually due, and that retailer shall be liable for penalties
22 and interest on such difference.

23 On and after the effective date of this Article of 1985, of
24 the moneys received by the Department of Revenue pursuant to
25 this Article, other than moneys received pursuant to the
26 additional taxes imposed by Public Act 90-548:

1 (1) \$1,000,000 shall be paid each month into the Common
2 School Fund;

3 (2) beginning on the first day of the first calendar
4 month to occur on or after the effective date of this
5 amendatory Act of the 98th General Assembly, an amount
6 equal to 1/12 of 5% of the cash receipts collected during
7 the preceding fiscal year by the Audit Bureau of the
8 Department from the tax under this Act and the Simplified
9 Municipal Telecommunications Tax Act shall be paid each
10 month into the Tax Compliance and Administration Fund;
11 those moneys shall be used, subject to appropriation, to
12 fund additional auditors and compliance personnel at the
13 Department of Revenue; and

14 (3) the remainder shall be deposited into the General
15 Revenue Fund.

16 On and after February 1, 1998, however, of the moneys
17 received by the Department of Revenue pursuant to the
18 additional taxes imposed by Public Act 90-548, one-half shall
19 be deposited into the School Infrastructure Fund and one-half
20 shall be deposited into the Common School Fund. On and after
21 the effective date of this amendatory Act of the 91st General
22 Assembly, if in any fiscal year the total of the moneys
23 deposited into the School Infrastructure Fund under this Act is
24 less than the total of the moneys deposited into that Fund from
25 the additional taxes imposed by Public Act 90-548 during fiscal
26 year 1999, then, as soon as possible after the close of the

1 fiscal year, the Comptroller shall order transferred and the
2 Treasurer shall transfer from the General Revenue Fund to the
3 School Infrastructure Fund an amount equal to the difference
4 between the fiscal year total deposits and the total amount
5 deposited into the Fund in fiscal year 1999.

6 (Source: P.A. 98-1098, eff. 8-26-14.)

7 Section 100. The Electricity Excise Tax Law is amended by
8 changing Sections 2-9 and 2-11 as follows:

9 (35 ILCS 640/2-9)

10 Sec. 2-9. Return and payment of tax by delivering supplier.
11 Each delivering supplier who is required or authorized to
12 collect the tax imposed by this Law shall make a return to the
13 Department on or before the 15th day of each month for the
14 preceding calendar month stating the following:

15 (1) The delivering supplier's name.

16 (2) The address of the delivering supplier's principal
17 place of business and the address of the principal place of
18 business (if that is a different address) from which the
19 delivering supplier engaged in the business of delivering
20 electricity in this State.

21 (3) The total number of kilowatt-hours which the
22 supplier delivered to or for purchasers during the
23 preceding calendar month and upon the basis of which the
24 tax is imposed.

1 (4) Amount of tax, computed upon Item (3) at the rates
2 stated in Section 2-4.

3 (5) An adjustment for uncollectible amounts of tax in
4 respect of prior period kilowatt-hour deliveries,
5 determined in accordance with rules and regulations
6 promulgated by the Department.

7 (5.5) The amount of credits to which the taxpayer is
8 entitled on account of purchases made under Section 8-403.1
9 of the Public Utilities Act.

10 (6) Such other information as the Department
11 reasonably may require.

12 In making such return the delivering supplier may use any
13 reasonable method to derive reportable "kilowatt-hours" from
14 the delivering supplier's records.

15 If the average monthly tax liability to the Department of
16 the delivering supplier does not exceed \$2,500, the Department
17 may authorize the delivering supplier's returns to be filed on
18 a quarter-annual basis, with the return for January, February
19 and March of a given year being due by April 30 of such year;
20 with the return for April, May and June of a given year being
21 due by July 31 of such year; with the return for July, August
22 and September of a given year being due by October 31 of such
23 year; and with the return for October, November and December of
24 a given year being due by January 31 of the following year.

25 If the average monthly tax liability to the Department of
26 the delivering supplier does not exceed \$1,000, the Department

1 may authorize the delivering supplier's returns to be filed on
2 an annual basis, with the return for a given year being due by
3 January 31 of the following year.

4 Such quarter-annual and annual returns, as to form and
5 substance, shall be subject to the same requirements as monthly
6 returns.

7 Notwithstanding any other provision in this Law concerning
8 the time within which a delivering supplier may file a return,
9 any such delivering supplier who ceases to engage in a kind of
10 business which makes the person responsible for filing returns
11 under this Law shall file a final return under this Law with
12 the Department not more than one month after discontinuing such
13 business.

14 Each delivering supplier whose average monthly liability
15 to the Department under this Law was \$10,000 or more during the
16 preceding calendar year, excluding the month of highest
17 liability and the month of lowest liability in such calendar
18 year, and who is not operated by a unit of local government,
19 shall make estimated payments to the Department on or before
20 the 7th, 15th, 22nd and last day of the month during which tax
21 liability to the Department is incurred in an amount not less
22 than the lower of either 22.5% of such delivering supplier's
23 actual tax liability for the month or 25% of such delivering
24 supplier's actual tax liability for the same calendar month of
25 the preceding year. The amount of such quarter-monthly payments
26 shall be credited against the final tax liability of such

1 delivering supplier's return for that month. An outstanding
2 credit approved by the Department or a credit memorandum issued
3 by the Department arising from such delivering supplier's
4 overpayment of his or her final tax liability for any month may
5 be applied to reduce the amount of any subsequent
6 quarter-monthly payment or credited against the final tax
7 liability of such delivering supplier's return for any
8 subsequent month. If any quarter-monthly payment is not paid at
9 the time or in the amount required by this Section, such
10 delivering supplier shall be liable for penalty and interest on
11 the difference between the minimum amount due as a payment and
12 the amount of such payment actually and timely paid, except
13 insofar as such delivering supplier has previously made
14 payments for that month to the Department in excess of the
15 minimum payments previously due.

16 If the Director finds that the information required for the
17 making of an accurate return cannot reasonably be compiled by
18 such delivering supplier within 15 days after the close of the
19 calendar month for which a return is to be made, the Director
20 may grant an extension of time for the filing of such return
21 for a period not to exceed 31 calendar days. The granting of
22 such an extension may be conditioned upon the deposit by such
23 delivering supplier with the Department of an amount of money
24 not exceeding the amount estimated by the Director to be due
25 with the return so extended. All such deposits shall be
26 credited against such delivering supplier's liabilities under

1 this Law. If the deposit exceeds such delivering supplier's
2 present and probable future liabilities under this Law, the
3 Department shall issue to such delivering supplier a credit
4 memorandum, which may be assigned by such delivering supplier
5 to a similar person under this Law, in accordance with
6 reasonable rules and regulations to be prescribed by the
7 Department.

8 The delivering supplier making the return provided for in
9 this Section shall, at the time of making such return, pay to
10 the Department the amount of tax imposed by this Law.

11 Until October 1, 2002, a delivering supplier who has an
12 average monthly tax liability of \$10,000 or more shall make all
13 payments required by rules of the Department by electronic
14 funds transfer. The term "average monthly tax liability" shall
15 be the sum of the delivering supplier's liabilities under this
16 Law for the immediately preceding calendar year divided by 12.
17 Beginning on October 1, 2002, a taxpayer who has a tax
18 liability in the amount set forth in subsection (b) of Section
19 2505-210 of the Department of Revenue Law shall make all
20 payments required by rules of the Department by electronic
21 funds transfer. Any delivering supplier not required to make
22 payments by electronic funds transfer may make payments by
23 electronic funds transfer with the permission of the
24 Department. All delivering suppliers required to make payments
25 by electronic funds transfer and any delivering suppliers
26 authorized to voluntarily make payments by electronic funds

1 transfer shall make those payments in the manner authorized by
2 the Department.

3 If any payment provided for in this Section exceeds the
4 delivering supplier's liabilities under this Act, as shown on
5 an original return, the Department may authorize the delivering
6 supplier to credit such excess payment against liability
7 subsequently to be remitted to the Department under this Act,
8 in accordance with reasonable rules adopted by the Department.

9 Through June 30, 2004, each month the Department shall pay
10 into the Public Utility Fund in the State treasury an amount
11 determined by the Director to be equal to 3.0% of the funds
12 received by the Department pursuant to this Section. Through
13 June 30, 2004, the remainder of all moneys received by the
14 Department under this Section shall be paid into the General
15 Revenue Fund in the State treasury. Beginning on July 1, 2004,
16 of the 3% of the funds received pursuant to this Section, each
17 month the Department shall pay \$416,667 into the General
18 Revenue Fund and the balance shall be paid into the Public
19 Utility Fund in the State treasury.

20 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

21 (35 ILCS 640/2-11)

22 Sec. 2-11. Direct return and payment by self-assessing
23 purchaser. When electricity is used or consumed by a
24 self-assessing purchaser subject to the tax imposed by this Law
25 who did not pay the tax to a delivering supplier maintaining a

1 place of business within this State and required or authorized
2 to collect the tax, that self-assessing purchaser shall, on or
3 before the 15th day of each month, make a return to the
4 Department for the preceding calendar month, stating all of the
5 following:

6 (1) The self-assessing purchaser's name and principal
7 address.

8 (2) The aggregate purchase price paid by the
9 self-assessing purchaser for the distribution, supply,
10 furnishing, sale, transmission and delivery of such
11 electricity to or for the purchaser during the preceding
12 calendar month, including budget plan and other
13 purchaser-owned amounts applied during such month in
14 payment of charges includible in the purchase price, and
15 upon the basis of which the tax is imposed.

16 (3) Amount of tax, computed upon item (2) at the rate
17 stated in Section 2-4.

18 (4) Such other information as the Department
19 reasonably may require.

20 In making such return the self-assessing purchaser may use
21 any reasonable method to derive reportable "purchase price"
22 from the self-assessing purchaser's records.

23 If the average monthly tax liability of the self-assessing
24 purchaser to the Department does not exceed \$2,500, the
25 Department may authorize the self-assessing purchaser's
26 returns to be filed on a quarter-annual basis, with the return

1 for January, February and March of a given year being due by
2 April 30 of such year; with the return for April, May and June
3 of a given year being due by July 31 of such year; with the
4 return for July, August, and September of a given year being
5 due by October 31 of such year; and with the return for
6 October, November and December of a given year being due by
7 January 31 of the following year.

8 If the average monthly tax liability of the self-assessing
9 purchaser to the Department does not exceed \$1,000, the
10 Department may authorize the self-assessing purchaser's
11 returns to be filed on an annual basis, with the return for a
12 given year being due by January 31 of the following year.

13 Such quarter-annual and annual returns, as to form and
14 substance, shall be subject to the same requirements as monthly
15 returns.

16 Notwithstanding any other provision in this Law concerning
17 the time within which a self-assessing purchaser may file a
18 return, any such self-assessing purchaser who ceases to be
19 responsible for filing returns under this Law shall file a
20 final return under this Law with the Department not more than
21 one month thereafter.

22 Each self-assessing purchaser whose average monthly
23 liability to the Department pursuant to this Section was
24 \$10,000 or more during the preceding calendar year, excluding
25 the month of highest liability and the month of lowest
26 liability during such calendar year, and which is not operated

1 by a unit of local government, shall make estimated payments to
2 the Department on or before the 7th, 15th, 22nd and last day of
3 the month during which tax liability to the Department is
4 incurred in an amount not less than the lower of either 22.5%
5 of such self-assessing purchaser's actual tax liability for the
6 month or 25% of such self-assessing purchaser's actual tax
7 liability for the same calendar month of the preceding year.
8 The amount of such quarter-monthly payments shall be credited
9 against the final tax liability of the self-assessing
10 purchaser's return for that month. An outstanding credit
11 approved by the Department or a credit memorandum issued by the
12 Department arising from the self-assessing purchaser's
13 overpayment of the self-assessing purchaser's final tax
14 liability for any month may be applied to reduce the amount of
15 any subsequent quarter-monthly payment or credited against the
16 final tax liability of such self-assessing purchaser's return
17 for any subsequent month. If any quarter-monthly payment is not
18 paid at the time or in the amount required by this Section,
19 such person shall be liable for penalty and interest on the
20 difference between the minimum amount due as a payment and the
21 amount of such payment actually and timely paid, except insofar
22 as such person has previously made payments for that month to
23 the Department in excess of the minimum payments previously
24 due.

25 If the Director finds that the information required for the
26 making of an accurate return cannot reasonably be compiled by a

1 self-assessing purchaser within 15 days after the close of the
2 calendar month for which a return is to be made, the Director
3 may grant an extension of time for the filing of such return
4 for a period of not to exceed 31 calendar days. The granting of
5 such an extension may be conditioned upon the deposit by such
6 self-assessing purchaser with the Department of an amount of
7 money not exceeding the amount estimated by the Director to be
8 due with the return so extended. All such deposits shall be
9 credited against such self-assessing purchaser's liabilities
10 under this Law. If the deposit exceeds such self-assessing
11 purchaser's present and probable future liabilities under this
12 Law, the Department shall issue to such self-assessing
13 purchaser a credit memorandum, which may be assigned by such
14 self-assessing purchaser to a similar person under this Law, in
15 accordance with reasonable rules and regulations to be
16 prescribed by the Department.

17 The self-assessing purchaser making the return provided
18 for in this Section shall, at the time of making such return,
19 pay to the Department the amount of tax imposed by this Law.

20 Until October 1, 2002, a self-assessing purchaser who has
21 an average monthly tax liability of \$10,000 or more shall make
22 all payments required by rules of the Department by electronic
23 funds transfer. The term "average monthly tax liability" shall
24 be the sum of the self-assessing purchaser's liabilities under
25 this Law for the immediately preceding calendar year divided by
26 12. Beginning on October 1, 2002, a taxpayer who has a tax

1 liability in the amount set forth in subsection (b) of Section
2 2505-210 of the Department of Revenue Law shall make all
3 payments required by rules of the Department by electronic
4 funds transfer. Any self-assessing purchaser not required to
5 make payments by electronic funds transfer may make payments by
6 electronic funds transfer with the permission of the
7 Department. All self-assessing purchasers required to make
8 payments by electronic funds transfer and any self-assessing
9 purchasers authorized to voluntarily make payments by
10 electronic funds transfer shall make those payments in the
11 manner authorized by the Department.

12 If any payment provided for in this Section exceeds the
13 self-assessing purchaser's liabilities under this Act, as
14 shown on an original return, the Department may authorize the
15 self-assessing purchaser to credit such excess payment against
16 liability subsequently to be remitted to the Department under
17 this Act, in accordance with reasonable rules adopted by the
18 Department.

19 Through June 30, 2004, each month the Department shall pay
20 into the Public Utility Fund in the State treasury an amount
21 determined by the Director to be equal to 3.0% of the funds
22 received by the Department pursuant to this Section. Through
23 June 30, 2004, the remainder of all moneys received by the
24 Department under this Section shall be paid into the General
25 Revenue Fund in the State treasury. Beginning on July 1, 2004,
26 of the 3% of the funds received pursuant to this Section, each

1 month the Department shall pay \$416,667 into the General
2 Revenue Fund and the balance shall be paid into the Public
3 Utility Fund in the State treasury.

4 (Source: P.A. 92-492, eff. 1-1-02; 93-839, eff. 7-30-04.)

5 Section 103. The Innovation Development and Economy Act is
6 amended by changing Section 31 as follows:

7 (50 ILCS 470/31)

8 Sec. 31. STAR bond occupation taxes.

9 (a) If the corporate authorities of a political subdivision
10 have established a STAR bond district and have elected to
11 impose a tax by ordinance pursuant to subsection (b) or (c) of
12 this Section, each year after the date of the adoption of the
13 ordinance and until all STAR bond project costs and all
14 political subdivision obligations financing the STAR bond
15 project costs, if any, have been paid in accordance with the
16 STAR bond project plans, but in no event longer than the
17 maximum maturity date of the last of the STAR bonds issued for
18 projects in the STAR bond district, all amounts generated by
19 the retailers' occupation tax and service occupation tax shall
20 be collected and the tax shall be enforced by the Department of
21 Revenue in the same manner as all retailers' occupation taxes
22 and service occupation taxes imposed in the political
23 subdivision imposing the tax. The corporate authorities of the
24 political subdivision shall deposit the proceeds of the taxes

1 imposed under subsections (b) and (c) into either (i) a special
2 fund held by the corporate authorities of the political
3 subdivision called the STAR Bonds Tax Allocation Fund for the
4 purpose of paying STAR bond project costs and obligations
5 incurred in the payment of those costs if such taxes are
6 designated as pledged STAR revenues by resolution or ordinance
7 of the political subdivision or (ii) the political
8 subdivision's general corporate fund if such taxes are not
9 designated as pledged STAR revenues by resolution or ordinance.

10 The tax imposed under this Section by a municipality may be
11 imposed only on the portion of a STAR bond district that is
12 within the boundaries of the municipality. For any part of a
13 STAR bond district that lies outside of the boundaries of that
14 municipality, the municipality in which the other part of the
15 STAR bond district lies (or the county, in cases where a
16 portion of the STAR bond district lies in the unincorporated
17 area of a county) is authorized to impose the tax under this
18 Section on that part of the STAR bond district.

19 (b) The corporate authorities of a political subdivision
20 that has established a STAR bond district under this Act may,
21 by ordinance or resolution, impose a STAR Bond Retailers'
22 Occupation Tax upon all persons engaged in the business of
23 selling tangible personal property, other than an item of
24 tangible personal property titled or registered with an agency
25 of this State's government, at retail in the STAR bond district
26 at a rate not to exceed 1% of the gross receipts from the sales

1 made in the course of that business, to be imposed only in
2 0.25% increments. The tax may not be imposed on tangible
3 personal property taxed at the 1% rate under the Retailers'
4 Occupation Tax Act ~~food for human consumption that is to be~~
5 ~~consumed off the premises where it is sold (other than~~
6 ~~alcoholic beverages, soft drinks, and food that has been~~
7 ~~prepared for immediate consumption), prescription and~~
8 ~~nonprescription medicines, drugs, medical appliances,~~
9 ~~modifications to a motor vehicle for the purpose of rendering~~
10 ~~it usable by a person with a disability, and insulin, urine~~
11 ~~testing materials, syringes, and needles used by diabetics, for~~
12 ~~human use.~~

13 The tax imposed under this subsection and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the Department of Revenue. The
16 certificate of registration that is issued by the Department to
17 a retailer under the Retailers' Occupation Tax Act shall permit
18 the retailer to engage in a business that is taxable under any
19 ordinance or resolution enacted pursuant to this subsection
20 without registering separately with the Department under such
21 ordinance or resolution or under this subsection. The
22 Department of Revenue shall have full power to administer and
23 enforce this subsection, to collect all taxes and penalties due
24 under this subsection in the manner hereinafter provided, and
25 to determine all rights to credit memoranda arising on account
26 of the erroneous payment of tax or penalty under this

1 subsection. In the administration of, and compliance with, this
2 subsection, the Department and persons who are subject to this
3 subsection shall have the same rights, remedies, privileges,
4 immunities, powers, and duties, and be subject to the same
5 conditions, restrictions, limitations, penalties, exclusions,
6 exemptions, and definitions of terms and employ the same modes
7 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
8 through 2-65 (in respect to all provisions therein other than
9 the State rate of tax), 2c through 2h, 3 (except as to the
10 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
11 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
12 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all
13 provisions of the Uniform Penalty and Interest Act, as fully as
14 if those provisions were set forth herein.

15 If a tax is imposed under this subsection (b), a tax shall
16 also be imposed under subsection (c) of this Section.

17 (c) If a tax has been imposed under subsection (b), a STAR
18 Bond Service Occupation Tax shall also be imposed upon all
19 persons engaged, in the STAR bond district, in the business of
20 making sales of service, who, as an incident to making those
21 sales of service, transfer tangible personal property within
22 the STAR bond district, either in the form of tangible personal
23 property or in the form of real estate as an incident to a sale
24 of service. The tax shall be imposed at the same rate as the
25 tax imposed in subsection (b) and shall not exceed 1% of the
26 selling price of tangible personal property so transferred

1 within the STAR bond district, to be imposed only in 0.25%
2 increments. The tax may not be imposed on tangible personal
3 property taxed at the 1% rate under the Service Occupation Tax
4 Act ~~food for human consumption that is to be consumed off the~~
5 ~~premises where it is sold (other than alcoholic beverages, soft~~
6 ~~drinks, and food that has been prepared for immediate~~
7 ~~consumption), prescription and nonprescription medicines,~~
8 ~~drugs, medical appliances, modifications to a motor vehicle for~~
9 ~~the purpose of rendering it usable by a person with a~~
10 ~~disability, and insulin, urine testing materials, syringes,~~
11 ~~and needles used by diabetics, for human use.~~

12 The tax imposed under this subsection and all civil
13 penalties that may be assessed as an incident thereof shall be
14 collected and enforced by the Department of Revenue. The
15 certificate of registration that is issued by the Department to
16 a retailer under the Retailers' Occupation Tax Act or under the
17 Service Occupation Tax Act shall permit the registrant to
18 engage in a business that is taxable under any ordinance or
19 resolution enacted pursuant to this subsection without
20 registering separately with the Department under that
21 ordinance or resolution or under this subsection. The
22 Department of Revenue shall have full power to administer and
23 enforce this subsection, to collect all taxes and penalties due
24 under this subsection, to dispose of taxes and penalties so
25 collected in the manner hereinafter provided, and to determine
26 all rights to credit memoranda arising on account of the

1 erroneous payment of tax or penalty under this subsection. In
2 the administration of, and compliance with this subsection, the
3 Department and persons who are subject to this subsection shall
4 have the same rights, remedies, privileges, immunities,
5 powers, and duties, and be subject to the same conditions,
6 restrictions, limitations, penalties, exclusions, exemptions,
7 and definitions of terms and employ the same modes of procedure
8 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50
9 (in respect to all provisions therein other than the State rate
10 of tax), 4 (except that the reference to the State shall be to
11 the STAR bond district), 5, 7, 8 (except that the jurisdiction
12 to which the tax shall be a debt to the extent indicated in
13 that Section 8 shall be the political subdivision), 9 (except
14 as to the disposition of taxes and penalties collected, and
15 except that the returned merchandise credit for this tax may
16 not be taken against any State tax), 10, 11, 12 (except the
17 reference therein to Section 2b of the Retailers' Occupation
18 Tax Act), 13 (except that any reference to the State shall mean
19 the political subdivision), the first paragraph of Section 15,
20 and Sections 16, 17, 18, 19 and 20 of the Service Occupation
21 Tax Act and all provisions of the Uniform Penalty and Interest
22 Act, as fully as if those provisions were set forth herein.

23 If a tax is imposed under this subsection (c), a tax shall
24 also be imposed under subsection (b) of this Section.

25 (d) Persons subject to any tax imposed under this Section
26 may reimburse themselves for their seller's tax liability under

1 this Section by separately stating the tax as an additional
2 charge, which charge may be stated in combination, in a single
3 amount, with State taxes that sellers are required to collect
4 under the Use Tax Act, in accordance with such bracket
5 schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the order to be drawn for the
10 amount specified and to the person named in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the STAR Bond Retailers' Occupation Tax Fund.

13 The Department shall immediately pay over to the State
14 Treasurer, ex officio, as trustee, all taxes, penalties, and
15 interest collected under this Section for deposit into the STAR
16 Bond Retailers' Occupation Tax Fund. On or before the 25th day
17 of each calendar month, the Department shall prepare and
18 certify to the Comptroller the disbursement of stated sums of
19 money to named political subdivisions from the STAR Bond
20 Retailers' Occupation Tax Fund, the political subdivisions to
21 be those from which retailers have paid taxes or penalties
22 under this Section to the Department during the second
23 preceding calendar month. The amount to be paid to each
24 political subdivision shall be the amount (not including credit
25 memoranda) collected under this Section during the second
26 preceding calendar month by the Department plus an amount the

1 Department determines is necessary to offset any amounts that
2 were erroneously paid to a different taxing body, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department, less 3%
5 of that amount, which shall be deposited into the Tax
6 Compliance and Administration Fund and shall be used by the
7 Department, subject to appropriation, to cover the costs of the
8 Department in administering and enforcing the provisions of
9 this Section, on behalf of such political subdivision, and not
10 including any amount that the Department determines is
11 necessary to offset any amounts that were payable to a
12 different taxing body but were erroneously paid to the
13 political subdivision. Within 10 days after receipt by the
14 Comptroller of the disbursement certification to the political
15 subdivisions provided for in this Section to be given to the
16 Comptroller by the Department, the Comptroller shall cause the
17 orders to be drawn for the respective amounts in accordance
18 with the directions contained in the certification. The
19 proceeds of the tax paid to political subdivisions under this
20 Section shall be deposited into either (i) the STAR Bonds Tax
21 Allocation Fund by the political subdivision if the political
22 subdivision has designated them as pledged STAR revenues by
23 resolution or ordinance or (ii) the political subdivision's
24 general corporate fund if the political subdivision has not
25 designated them as pledged STAR revenues.

26 An ordinance or resolution imposing or discontinuing the

1 tax under this Section or effecting a change in the rate
2 thereof shall either (i) be adopted and a certified copy
3 thereof filed with the Department on or before the first day of
4 April, whereupon the Department, if all other requirements of
5 this Section are met, shall proceed to administer and enforce
6 this Section as of the first day of July next following the
7 adoption and filing; or (ii) be adopted and a certified copy
8 thereof filed with the Department on or before the first day of
9 October, whereupon, if all other requirements of this Section
10 are met, the Department shall proceed to administer and enforce
11 this Section as of the first day of January next following the
12 adoption and filing.

13 The Department of Revenue shall not administer or enforce
14 an ordinance imposing, discontinuing, or changing the rate of
15 the tax under this Section until the political subdivision also
16 provides, in the manner prescribed by the Department, the
17 boundaries of the STAR bond district and each address in the
18 STAR bond district in such a way that the Department can
19 determine by its address whether a business is located in the
20 STAR bond district. The political subdivision must provide this
21 boundary and address information to the Department on or before
22 April 1 for administration and enforcement of the tax under
23 this Section by the Department beginning on the following July
24 1 and on or before October 1 for administration and enforcement
25 of the tax under this Section by the Department beginning on
26 the following January 1. The Department of Revenue shall not

1 administer or enforce any change made to the boundaries of a
2 STAR bond district or any address change, addition, or deletion
3 until the political subdivision reports the boundary change or
4 address change, addition, or deletion to the Department in the
5 manner prescribed by the Department. The political subdivision
6 must provide this boundary change or address change, addition,
7 or deletion information to the Department on or before April 1
8 for administration and enforcement by the Department of the
9 change, addition, or deletion beginning on the following July 1
10 and on or before October 1 for administration and enforcement
11 by the Department of the change, addition, or deletion
12 beginning on the following January 1. The retailers in the STAR
13 bond district shall be responsible for charging the tax imposed
14 under this Section. If a retailer is incorrectly included or
15 excluded from the list of those required to collect the tax
16 under this Section, both the Department of Revenue and the
17 retailer shall be held harmless if they reasonably relied on
18 information provided by the political subdivision.

19 A political subdivision that imposes the tax under this
20 Section must submit to the Department of Revenue any other
21 information as the Department may require that is necessary for
22 the administration and enforcement of the tax.

23 When certifying the amount of a monthly disbursement to a
24 political subdivision under this Section, the Department shall
25 increase or decrease the amount by an amount necessary to
26 offset any misallocation of previous disbursements. The offset

1 amount shall be the amount erroneously disbursed within the
2 previous 6 months from the time a misallocation is discovered.

3 Nothing in this Section shall be construed to authorize the
4 political subdivision to impose a tax upon the privilege of
5 engaging in any business which under the Constitution of the
6 United States may not be made the subject of taxation by this
7 State.

8 (e) When STAR bond project costs, including, without
9 limitation, all political subdivision obligations financing
10 STAR bond project costs, have been paid, any surplus funds then
11 remaining in the STAR Bonds Tax Allocation Fund shall be
12 distributed to the treasurer of the political subdivision for
13 deposit into the political subdivision's general corporate
14 fund. Upon payment of all STAR bond project costs and
15 retirement of obligations, but in no event later than the
16 maximum maturity date of the last of the STAR bonds issued in
17 the STAR bond district, the political subdivision shall adopt
18 an ordinance immediately rescinding the taxes imposed pursuant
19 to this Section and file a certified copy of the ordinance with
20 the Department in the form and manner as described in this
21 Section.

22 (Source: P.A. 99-143, eff. 7-27-15.)

23 Section 105. The Counties Code is amended by changing
24 Sections 5-1006, 5-1006.5, 5-1006.7, 5-1007, and 5-1008.5 as
25 follows:

1 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

2 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
3 Law. Any county that is a home rule unit may impose a tax upon
4 all persons engaged in the business of selling tangible
5 personal property, other than an item of tangible personal
6 property titled or registered with an agency of this State's
7 government, at retail in the county on the gross receipts from
8 such sales made in the course of their business. If imposed,
9 this tax shall only be imposed in 1/4% increments. On and after
10 September 1, 1991, this additional tax may not be imposed on
11 tangible personal property taxed at the 1% rate under the
12 Retailers' Occupation Tax Act ~~the sales of food for human~~
13 ~~consumption which is to be consumed off the premises where it~~
14 ~~is sold (other than alcoholic beverages, soft drinks and food~~
15 ~~which has been prepared for immediate consumption) and~~
16 ~~prescription and nonprescription medicines, drugs, medical~~
17 ~~appliances and insulin, urine testing materials, syringes and~~
18 ~~needles used by diabetics.~~ The tax imposed by a home rule
19 county pursuant to this Section and all civil penalties that
20 may be assessed as an incident thereof shall be collected and
21 enforced by the State Department of Revenue. The certificate of
22 registration that is issued by the Department to a retailer
23 under the Retailers' Occupation Tax Act shall permit the
24 retailer to engage in a business that is taxable under any
25 ordinance or resolution enacted pursuant to this Section

1 without registering separately with the Department under such
2 ordinance or resolution or under this Section. The Department
3 shall have full power to administer and enforce this Section;
4 to collect all taxes and penalties due hereunder; to dispose of
5 taxes and penalties so collected in the manner hereinafter
6 provided; and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of tax or penalty
8 hereunder. In the administration of, and compliance with, this
9 Section, the Department and persons who are subject to this
10 Section shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties and
13 definitions of terms, and employ the same modes of procedure,
14 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
15 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions
16 therein other than the State rate of tax), 4, 5, 5a, 5b, 5c,
17 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
18 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
19 Section 3-7 of the Uniform Penalty and Interest Act, as fully
20 as if those provisions were set forth herein.

21 No tax may be imposed by a home rule county pursuant to
22 this Section unless the county also imposes a tax at the same
23 rate pursuant to Section 5-1007.

24 Persons subject to any tax imposed pursuant to the
25 authority granted in this Section may reimburse themselves for
26 their seller's tax liability hereunder by separately stating

1 such tax as an additional charge, which charge may be stated in
2 combination, in a single amount, with State tax which sellers
3 are required to collect under the Use Tax Act, pursuant to such
4 bracket schedules as the Department may prescribe.

5 Whenever the Department determines that a refund should be
6 made under this Section to a claimant instead of issuing a
7 credit memorandum, the Department shall notify the State
8 Comptroller, who shall cause the order to be drawn for the
9 amount specified and to the person named in the notification
10 from the Department. The refund shall be paid by the State
11 Treasurer out of the home rule county retailers' occupation tax
12 fund.

13 The Department shall forthwith pay over to the State
14 Treasurer, ex officio, as trustee, all taxes and penalties
15 collected hereunder.

16 As soon as possible after the first day of each month,
17 beginning January 1, 2011, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Innovation
21 Development and Economy Act, collected under this Section
22 during the second preceding calendar month for sales within a
23 STAR bond district.

24 After the monthly transfer to the STAR Bonds Revenue Fund,
25 on or before the 25th day of each calendar month, the
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money to named counties, the
2 counties to be those from which retailers have paid taxes or
3 penalties hereunder to the Department during the second
4 preceding calendar month. The amount to be paid to each county
5 shall be the amount (not including credit memoranda) collected
6 hereunder during the second preceding calendar month by the
7 Department plus an amount the Department determines is
8 necessary to offset any amounts that were erroneously paid to a
9 different taxing body, and not including an amount equal to the
10 amount of refunds made during the second preceding calendar
11 month by the Department on behalf of such county, and not
12 including any amount which the Department determines is
13 necessary to offset any amounts which were payable to a
14 different taxing body but were erroneously paid to the county,
15 and not including any amounts that are transferred to the STAR
16 Bonds Revenue Fund, less 2% of the remainder, which the
17 Department shall transfer into the Tax Compliance and
18 Administration Fund. The Department, at the time of each
19 monthly disbursement to the counties, shall prepare and certify
20 to the State Comptroller the amount to be transferred into the
21 Tax Compliance and Administration Fund under this Section.
22 Within 10 days after receipt, by the Comptroller, of the
23 disbursement certification to the counties and the Tax
24 Compliance and Administration Fund provided for in this Section
25 to be given to the Comptroller by the Department, the
26 Comptroller shall cause the orders to be drawn for the

1 respective amounts in accordance with the directions contained
2 in the certification.

3 In addition to the disbursement required by the preceding
4 paragraph, an allocation shall be made in March of each year to
5 each county that received more than \$500,000 in disbursements
6 under the preceding paragraph in the preceding calendar year.
7 The allocation shall be in an amount equal to the average
8 monthly distribution made to each such county under the
9 preceding paragraph during the preceding calendar year
10 (excluding the 2 months of highest receipts). The distribution
11 made in March of each year subsequent to the year in which an
12 allocation was made pursuant to this paragraph and the
13 preceding paragraph shall be reduced by the amount allocated
14 and disbursed under this paragraph in the preceding calendar
15 year. The Department shall prepare and certify to the
16 Comptroller for disbursement the allocations made in
17 accordance with this paragraph.

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

1 Nothing in this Section shall be construed to authorize a
2 county to impose a tax upon the privilege of engaging in any
3 business which under the Constitution of the United States may
4 not be made the subject of taxation by this State.

5 An ordinance or resolution imposing or discontinuing a tax
6 hereunder or effecting a change in the rate thereof shall be
7 adopted and a certified copy thereof filed with the Department
8 on or before the first day of June, whereupon the Department
9 shall proceed to administer and enforce this Section as of the
10 first day of September next following such adoption and filing.
11 Beginning January 1, 1992, an ordinance or resolution imposing
12 or discontinuing the tax hereunder or effecting a change in the
13 rate thereof shall be adopted and a certified copy thereof
14 filed with the Department on or before the first day of July,
15 whereupon the Department shall proceed to administer and
16 enforce this Section as of the first day of October next
17 following such adoption and filing. Beginning January 1, 1993,
18 an ordinance or resolution imposing or discontinuing the tax
19 hereunder or effecting a change in the rate thereof shall be
20 adopted and a certified copy thereof filed with the Department
21 on or before the first day of October, whereupon the Department
22 shall proceed to administer and enforce this Section as of the
23 first day of January next following such adoption and filing.
24 Beginning April 1, 1998, an ordinance or resolution imposing or
25 discontinuing the tax hereunder or effecting a change in the
26 rate thereof shall either (i) be adopted and a certified copy

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

9 When certifying the amount of a monthly disbursement to a
10 county under this Section, the Department shall increase or
11 decrease such amount by an amount necessary to offset any
12 misallocation of previous disbursements. The offset amount
13 shall be the amount erroneously disbursed within the previous 6
14 months from the time a misallocation is discovered.

15 This Section shall be known and may be cited as the Home
16 Rule County Retailers' Occupation Tax Law.

17 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

18 (55 ILCS 5/5-1006.5)

19 Sec. 5-1006.5. Special County Retailers' Occupation Tax
20 For Public Safety, Public Facilities, or Transportation.

21 (a) The county board of any county may impose a tax upon
22 all persons engaged in the business of selling tangible
23 personal property, other than personal property titled or
24 registered with an agency of this State's government, at retail
25 in the county on the gross receipts from the sales made in the

1 course of business to provide revenue to be used exclusively
2 for public safety, public facility, or transportation purposes
3 in that county, if a proposition for the tax has been submitted
4 to the electors of that county and approved by a majority of
5 those voting on the question. If imposed, this tax shall be
6 imposed only in one-quarter percent increments. By resolution,
7 the county board may order the proposition to be submitted at
8 any election. If the tax is imposed for transportation purposes
9 for expenditures for public highways or as authorized under the
10 Illinois Highway Code, the county board must publish notice of
11 the existence of its long-range highway transportation plan as
12 required or described in Section 5-301 of the Illinois Highway
13 Code and must make the plan publicly available prior to
14 approval of the ordinance or resolution imposing the tax. If
15 the tax is imposed for transportation purposes for expenditures
16 for passenger rail transportation, the county board must
17 publish notice of the existence of its long-range passenger
18 rail transportation plan and must make the plan publicly
19 available prior to approval of the ordinance or resolution
20 imposing the tax.

21 If a tax is imposed for public facilities purposes, then
22 the name of the project may be included in the proposition at
23 the discretion of the county board as determined in the
24 enabling resolution. For example, the "XXX Nursing Home" or the
25 "YYY Museum".

26 The county clerk shall certify the question to the proper

1 election authority, who shall submit the proposition at an
2 election in accordance with the general election law.

3 (1) The proposition for public safety purposes shall be
4 in substantially the following form:

5 "To pay for public safety purposes, shall (name of
6 county) be authorized to impose an increase on its share of
7 local sales taxes by (insert rate)?"

8 As additional information on the ballot below the
9 question shall appear the following:

10 "This would mean that a consumer would pay an
11 additional (insert amount) in sales tax for every \$100 of
12 tangible personal property bought at retail."

13 The county board may also opt to establish a sunset
14 provision at which time the additional sales tax would
15 cease being collected, if not terminated earlier by a vote
16 of the county board. If the county board votes to include a
17 sunset provision, the proposition for public safety
18 purposes shall be in substantially the following form:

19 "To pay for public safety purposes, shall (name of
20 county) be authorized to impose an increase on its share of
21 local sales taxes by (insert rate) for a period not to
22 exceed (insert number of years)?"

23 As additional information on the ballot below the
24 question shall appear the following:

25 "This would mean that a consumer would pay an
26 additional (insert amount) in sales tax for every \$100 of

1 tangible personal property bought at retail. If imposed,
2 the additional tax would cease being collected at the end
3 of (insert number of years), if not terminated earlier by a
4 vote of the county board."

5 For the purposes of the paragraph, "public safety
6 purposes" means crime prevention, detention, fire
7 fighting, police, medical, ambulance, or other emergency
8 services.

9 Votes shall be recorded as "Yes" or "No".

10 Beginning on the January 1 or July 1, whichever is
11 first, that occurs not less than 30 days after May 31, 2015
12 (the effective date of Public Act 99-4), Adams County may
13 impose a public safety retailers' occupation tax and
14 service occupation tax at the rate of 0.25%, as provided in
15 the referendum approved by the voters on April 7, 2015,
16 notwithstanding the omission of the additional information
17 that is otherwise required to be printed on the ballot
18 below the question pursuant to this item (1).

19 (2) The proposition for transportation purposes shall
20 be in substantially the following form:

21 "To pay for improvements to roads and other
22 transportation purposes, shall (name of county) be
23 authorized to impose an increase on its share of local
24 sales taxes by (insert rate)?"

25 As additional information on the ballot below the
26 question shall appear the following:

1 "This would mean that a consumer would pay an
2 additional (insert amount) in sales tax for every \$100 of
3 tangible personal property bought at retail."

4 The county board may also opt to establish a sunset
5 provision at which time the additional sales tax would
6 cease being collected, if not terminated earlier by a vote
7 of the county board. If the county board votes to include a
8 sunset provision, the proposition for transportation
9 purposes shall be in substantially the following form:

10 "To pay for road improvements and other transportation
11 purposes, shall (name of county) be authorized to impose an
12 increase on its share of local sales taxes by (insert rate)
13 for a period not to exceed (insert number of years)?"

14 As additional information on the ballot below the
15 question shall appear the following:

16 "This would mean that a consumer would pay an
17 additional (insert amount) in sales tax for every \$100 of
18 tangible personal property bought at retail. If imposed,
19 the additional tax would cease being collected at the end
20 of (insert number of years), if not terminated earlier by a
21 vote of the county board."

22 For the purposes of this paragraph, transportation
23 purposes means construction, maintenance, operation, and
24 improvement of public highways, any other purpose for which
25 a county may expend funds under the Illinois Highway Code,
26 and passenger rail transportation.

1 The votes shall be recorded as "Yes" or "No".

2 (3) The proposition for public facilities purposes
3 shall be in substantially the following form:

4 "To pay for public facilities purposes, shall (name of
5 county) be authorized to impose an increase on its share of
6 local sales taxes by (insert rate)?"

7 As additional information on the ballot below the
8 question shall appear the following:

9 "This would mean that a consumer would pay an
10 additional (insert amount) in sales tax for every \$100 of
11 tangible personal property bought at retail."

12 The county board may also opt to establish a sunset
13 provision at which time the additional sales tax would
14 cease being collected, if not terminated earlier by a vote
15 of the county board. If the county board votes to include a
16 sunset provision, the proposition for public facilities
17 purposes shall be in substantially the following form:

18 "To pay for public facilities purposes, shall (name of
19 county) be authorized to impose an increase on its share of
20 local sales taxes by (insert rate) for a period not to
21 exceed (insert number of years)?"

22 As additional information on the ballot below the
23 question shall appear the following:

24 "This would mean that a consumer would pay an
25 additional (insert amount) in sales tax for every \$100 of
26 tangible personal property bought at retail. If imposed,

1 the additional tax would cease being collected at the end
2 of (insert number of years), if not terminated earlier by a
3 vote of the county board."

4 For purposes of this Section, "public facilities
5 purposes" means the acquisition, development,
6 construction, reconstruction, rehabilitation, improvement,
7 financing, architectural planning, and installation of
8 capital facilities consisting of buildings, structures,
9 and durable equipment and for the acquisition and
10 improvement of real property and interest in real property
11 required, or expected to be required, in connection with
12 the public facilities, for use by the county for the
13 furnishing of governmental services to its citizens,
14 including but not limited to museums and nursing homes.

15 The votes shall be recorded as "Yes" or "No".

16 If a majority of the electors voting on the proposition
17 vote in favor of it, the county may impose the tax. A county
18 may not submit more than one proposition authorized by this
19 Section to the electors at any one time.

20 This additional tax may not be imposed on the sales of
21 tangible personal property taxed at the 1% rate under the
22 Retailers' Occupation Tax Act ~~food for human consumption that~~
23 ~~is to be consumed off the premises where it is sold (other than~~
24 ~~alcoholic beverages, soft drinks, and food which has been~~
25 ~~prepared for immediate consumption) and prescription and~~
26 ~~non prescription medicines, drugs, medical appliances and~~

1 ~~insulin, urine testing materials, syringes, and needles used by~~
2 ~~diabetics~~. The tax imposed by a county under this Section and
3 all civil penalties that may be assessed as an incident of the
4 tax shall be collected and enforced by the Illinois Department
5 of Revenue and deposited into a special fund created for that
6 purpose. The certificate of registration that is issued by the
7 Department to a retailer under the Retailers' Occupation Tax
8 Act shall permit the retailer to engage in a business that is
9 taxable without registering separately with the Department
10 under an ordinance or resolution under this Section. The
11 Department has full power to administer and enforce this
12 Section, to collect all taxes and penalties due under this
13 Section, to dispose of taxes and penalties so collected in the
14 manner provided in this Section, and to determine all rights to
15 credit memoranda arising on account of the erroneous payment of
16 a tax or penalty under this Section. In the administration of
17 and compliance with this Section, the Department and persons
18 who are subject to this Section shall (i) have the same rights,
19 remedies, privileges, immunities, powers, and duties, (ii) be
20 subject to the same conditions, restrictions, limitations,
21 penalties, and definitions of terms, and (iii) employ the same
22 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
23 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-70 (in respect to
24 all provisions contained in those Sections other than the State
25 rate of tax), 2a, 2b, 2c, 3 (except provisions relating to
26 transaction returns and quarter monthly payments), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
2 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
3 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
4 as if those provisions were set forth in this Section.

5 Persons subject to any tax imposed under the authority
6 granted in this Section may reimburse themselves for their
7 sellers' tax liability by separately stating the tax as an
8 additional charge, which charge may be stated in combination,
9 in a single amount, with State tax which sellers are required
10 to collect under the Use Tax Act, pursuant to such bracketed
11 schedules as the Department may prescribe.

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified and to the person named in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the County Public Safety or Transportation
19 Retailers' Occupation Tax Fund.

20 (b) If a tax has been imposed under subsection (a), a
21 service occupation tax shall also be imposed at the same rate
22 upon all persons engaged, in the county, in the business of
23 making sales of service, who, as an incident to making those
24 sales of service, transfer tangible personal property within
25 the county as an incident to a sale of service. This tax may
26 not be imposed on sales of tangible personal property taxed at

1 the 1% rate under the Service Occupation Tax Act ~~food for human~~
2 ~~consumption that is to be consumed off the premises where it is~~
3 ~~sold (other than alcoholic beverages, soft drinks, and food~~
4 ~~prepared for immediate consumption) and prescription and~~
5 ~~non prescription medicines, drugs, medical appliances and~~
6 ~~insulin, urine testing materials, syringes, and needles used by~~
7 ~~diabetics~~. The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department of Revenue. The
10 Department has full power to administer and enforce this
11 subsection; 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 or
15 penalty hereunder. In the administration of, and compliance
16 with this subsection, the Department and persons who are
17 subject to this paragraph shall (i) have the same rights,
18 remedies, privileges, immunities, powers, and duties, (ii) be
19 subject to the same conditions, restrictions, limitations,
20 penalties, exclusions, exemptions, and definitions of terms,
21 and (iii) employ the same modes of procedure as are prescribed
22 in Sections 2 (except that the reference to State in the
23 definition of supplier maintaining a place of business in this
24 State shall mean the county), 2a, 2b, 2c, 3 through 3-50 (in
25 respect to all provisions therein other than the State rate of
26 tax), 4 (except that the reference to the State shall be to the

1 county), 5, 7, 8 (except that the jurisdiction to which the tax
2 shall be a debt to the extent indicated in that Section 8 shall
3 be the county), 9 (except as to the disposition of taxes and
4 penalties collected), 10, 11, 12 (except the reference therein
5 to Section 2b of the Retailers' Occupation Tax Act), 13 (except
6 that any reference to the State shall mean the county), Section
7 15, 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
8 Section 3-7 of the Uniform Penalty and Interest Act, as fully
9 as if those provisions were set forth herein.

10 Persons subject to any tax imposed under the authority
11 granted in this subsection may reimburse themselves for their
12 serviceman's tax liability by separately stating the tax as an
13 additional charge, which charge may be stated in combination,
14 in a single amount, with State tax that servicemen are
15 authorized to collect under the Service Use Tax Act, in
16 accordance with such bracket schedules as the Department may
17 prescribe.

18 Whenever the Department determines that a refund should be
19 made under this subsection to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the warrant to be drawn for the
22 amount specified, and to the person named, in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the County Public Safety or Transportation
25 Retailers' Occupation Fund.

26 Nothing in this subsection shall be construed to authorize

1 the county to impose a tax upon the privilege of engaging in
2 any business which under the Constitution of the United States
3 may not be made the subject of taxation by the State.

4 (c) The Department shall immediately pay over to the State
5 Treasurer, ex officio, as trustee, all taxes and penalties
6 collected under this Section to be deposited into the County
7 Public Safety or Transportation Retailers' Occupation Tax
8 Fund, which shall be an unappropriated trust fund held outside
9 of the State treasury.

10 As soon as possible after the first day of each month,
11 beginning January 1, 2011, upon certification of the Department
12 of Revenue, the Comptroller shall order transferred, and the
13 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
14 local sales tax increment, as defined in the Innovation
15 Development and Economy Act, collected under this Section
16 during the second preceding calendar month for sales within a
17 STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,
19 on or before the 25th day of each calendar month, the
20 Department shall prepare and certify to the Comptroller the
21 disbursement of stated sums of money to the counties from which
22 retailers have paid taxes or penalties to the Department during
23 the second preceding calendar month. The amount to be paid to
24 each county, and deposited by the county into its special fund
25 created for the purposes of this Section, shall be the amount
26 (not including credit memoranda) collected under this Section

1 during the second preceding calendar month by the Department
2 plus an amount the Department determines is necessary to offset
3 any amounts that were erroneously paid to a different taxing
4 body, and not including (i) an amount equal to the amount of
5 refunds made during the second preceding calendar month by the
6 Department on behalf of the county, (ii) any amount that the
7 Department determines is necessary to offset any amounts that
8 were payable to a different taxing body but were erroneously
9 paid to the county, (iii) any amounts that are transferred to
10 the STAR Bonds Revenue Fund, and (iv) 2% of the remainder,
11 which shall be transferred into the Tax Compliance and
12 Administration Fund. The Department, at the time of each
13 monthly disbursement to the counties, shall prepare and certify
14 to the State Comptroller the amount to be transferred into the
15 Tax Compliance and Administration Fund under this subsection.
16 Within 10 days after receipt by the Comptroller of the
17 disbursement certification to the counties and the Tax
18 Compliance and Administration Fund provided for in this Section
19 to be given to the Comptroller by the Department, the
20 Comptroller shall cause the orders to be drawn for the
21 respective amounts in accordance with directions contained in
22 the certification.

23 In addition to the disbursement required by the preceding
24 paragraph, an allocation shall be made in March of each year to
25 each county that received more than \$500,000 in disbursements
26 under the preceding paragraph in the preceding calendar year.

1 The allocation shall be in an amount equal to the average
2 monthly distribution made to each such county under the
3 preceding paragraph during the preceding calendar year
4 (excluding the 2 months of highest receipts). The distribution
5 made in March of each year subsequent to the year in which an
6 allocation was made pursuant to this paragraph and the
7 preceding paragraph shall be reduced by the amount allocated
8 and disbursed under this paragraph in the preceding calendar
9 year. The Department shall prepare and certify to the
10 Comptroller for disbursement the allocations made in
11 accordance with this paragraph.

12 A county may direct, by ordinance, that all or a portion of
13 the taxes and penalties collected under the Special County
14 Retailers' Occupation Tax For Public Safety or Transportation
15 be deposited into the Transportation Development Partnership
16 Trust Fund.

17 (d) For the purpose of determining the local governmental
18 unit whose tax is applicable, a retail sale by a producer of
19 coal or another mineral mined in Illinois is a sale at retail
20 at the place where the coal or other mineral mined in Illinois
21 is extracted from the earth. This paragraph does not apply to
22 coal or another mineral when it is delivered or shipped by the
23 seller to the purchaser at a point outside Illinois so that the
24 sale is exempt under the United States Constitution as a sale
25 in interstate or foreign commerce.

26 (e) Nothing in this Section shall be construed to authorize

1 a county to impose a tax upon the privilege of engaging in any
2 business that under the Constitution of the United States may
3 not be made the subject of taxation by this State.

4 (e-5) If a county imposes a tax under this Section, the
5 county board may, by ordinance, discontinue or lower the rate
6 of the tax. If the county board lowers the tax rate or
7 discontinues the tax, a referendum must be held in accordance
8 with subsection (a) of this Section in order to increase the
9 rate of the tax or to reimpose the discontinued tax.

10 (f) Beginning April 1, 1998 and through December 31, 2013,
11 the results of any election authorizing a proposition to impose
12 a tax under this Section or effecting a change in the rate of
13 tax, or any ordinance lowering the rate or discontinuing the
14 tax, shall be certified by the county clerk and filed with the
15 Illinois Department of Revenue either (i) on or before the
16 first day of April, whereupon the Department shall proceed to
17 administer and enforce the tax as of the first day of July next
18 following the filing; or (ii) on or before the first day of
19 October, whereupon the Department shall proceed to administer
20 and enforce the tax as of the first day of January next
21 following the filing.

22 Beginning January 1, 2014, the results of any election
23 authorizing a proposition to impose a tax under this Section or
24 effecting an increase in the rate of tax, along with the
25 ordinance adopted to impose the tax or increase the rate of the
26 tax, or any ordinance adopted to lower the rate or discontinue

1 the tax, shall be certified by the county clerk and filed with
2 the Illinois Department of Revenue either (i) on or before the
3 first day of May, whereupon the Department shall proceed to
4 administer and enforce the tax as of the first day of July next
5 following the adoption and filing; or (ii) on or before the
6 first day of October, whereupon the Department shall proceed to
7 administer and enforce the tax as of the first day of January
8 next following the adoption and filing.

9 (g) When certifying the amount of a monthly disbursement to
10 a county under this Section, the Department shall increase or
11 decrease the amounts by an amount necessary to offset any
12 miscalculation of previous disbursements. The offset amount
13 shall be the amount erroneously disbursed within the previous 6
14 months from the time a miscalculation is discovered.

15 (h) This Section may be cited as the "Special County
16 Occupation Tax For Public Safety, Public Facilities, or
17 Transportation Law".

18 (i) For purposes of this Section, "public safety" includes,
19 but is not limited to, crime prevention, detention, fire
20 fighting, police, medical, ambulance, or other emergency
21 services. The county may share tax proceeds received under this
22 Section for public safety purposes, including proceeds
23 received before August 4, 2009 (the effective date of Public
24 Act 96-124), with any fire protection district located in the
25 county. For the purposes of this Section, "transportation"
26 includes, but is not limited to, the construction, maintenance,

1 operation, and improvement of public highways, any other
2 purpose for which a county may expend funds under the Illinois
3 Highway Code, and passenger rail transportation. For the
4 purposes of this Section, "public facilities purposes"
5 includes, but is not limited to, the acquisition, development,
6 construction, reconstruction, rehabilitation, improvement,
7 financing, architectural planning, and installation of capital
8 facilities consisting of buildings, structures, and durable
9 equipment and for the acquisition and improvement of real
10 property and interest in real property required, or expected to
11 be required, in connection with the public facilities, for use
12 by the county for the furnishing of governmental services to
13 its citizens, including but not limited to museums and nursing
14 homes.

15 (j) The Department may promulgate rules to implement Public
16 Act 95-1002 only to the extent necessary to apply the existing
17 rules for the Special County Retailers' Occupation Tax for
18 Public Safety to this new purpose for public facilities.

19 (Source: P.A. 99-4, eff. 5-31-15; 99-217, eff. 7-31-15; 99-642,
20 eff. 7-28-16; 100-23, eff. 7-6-17.)

21 (55 ILCS 5/5-1006.7)

22 Sec. 5-1006.7. School facility occupation taxes.

23 (a) In any county, a tax shall be imposed upon all persons
24 engaged in the business of selling tangible personal property,
25 other than personal property titled or registered with an

1 agency of this State's government, at retail in the county on
2 the gross receipts from the sales made in the course of
3 business to provide revenue to be used exclusively for school
4 facility purposes if a proposition for the tax has been
5 submitted to the electors of that county and approved by a
6 majority of those voting on the question as provided in
7 subsection (c). The tax under this Section shall be imposed
8 only in one-quarter percent increments and may not exceed 1%.

9 This additional tax may not be imposed on the sale of
10 tangible personal property taxed at the 1% rate under the
11 Retailers' Occupation Tax Act ~~food for human consumption that~~
12 ~~is to be consumed off the premises where it is sold (other than~~
13 ~~alcoholic beverages, soft drinks, and food that has been~~
14 ~~prepared for immediate consumption) and prescription and~~
15 ~~non-prescription medicines, drugs, medical appliances and~~
16 ~~insulin, urine testing materials, syringes and needles used by~~
17 ~~diabetics~~. The Department of Revenue has full power to
18 administer and enforce this subsection, to collect all taxes
19 and penalties due under this subsection, to dispose of taxes
20 and penalties so collected in the manner provided in this
21 subsection, and to determine all rights to credit memoranda
22 arising on account of the erroneous payment of a tax or penalty
23 under this subsection. The Department shall deposit all taxes
24 and penalties collected under this subsection into a special
25 fund created for that purpose.

26 In the administration of and compliance with this

1 subsection, the Department and persons who are subject to this
2 subsection (i) have the same rights, remedies, privileges,
3 immunities, powers, and duties, (ii) are subject to the same
4 conditions, restrictions, limitations, penalties, and
5 definitions of terms, and (iii) shall employ the same modes of
6 procedure as are set forth in Sections 1 through 10, 2 through
7 2-70 (in respect to all provisions contained in those Sections
8 other than the State rate of tax), 2a through 2h, 3 (except as
9 to the disposition of taxes and penalties collected), 4, 5, 5a,
10 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
11 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
12 Tax Act and all provisions of the Uniform Penalty and Interest
13 Act as if those provisions were set forth in this subsection.

14 The certificate of registration that is issued by the
15 Department to a retailer under the Retailers' Occupation Tax
16 Act permits the retailer to engage in a business that is
17 taxable without registering separately with the Department
18 under an ordinance or resolution under this subsection.

19 Persons subject to any tax imposed under the authority
20 granted in this subsection may reimburse themselves for their
21 seller's tax liability by separately stating that tax as an
22 additional charge, which may be stated in combination, in a
23 single amount, with State tax that sellers are required to
24 collect under the Use Tax Act, pursuant to any bracketed
25 schedules set forth by the Department.

26 (b) If a tax has been imposed under subsection (a), then a

1 service occupation tax must also be imposed at the same rate
2 upon all persons engaged, in the county, in the business of
3 making sales of service, who, as an incident to making those
4 sales of service, transfer tangible personal property within
5 the county as an incident to a sale of service.

6 This tax may not be imposed on sales of tangible personal
7 property taxed at the 1% rate under the Service Occupation Tax
8 Act ~~food for human consumption that is to be consumed off the~~
9 ~~premises where it is sold (other than alcoholic beverages, soft~~
10 ~~drinks, and food prepared for immediate consumption) and~~
11 ~~prescription and non-prescription medicines, drugs, medical~~
12 ~~appliances and insulin, urine testing materials, syringes, and~~
13 ~~needles used by diabetics.~~

14 The tax imposed under this subsection and all civil
15 penalties that may be assessed as an incident thereof shall be
16 collected and enforced by the Department and deposited into a
17 special fund created for that purpose. The Department has full
18 power to administer and enforce this subsection, to collect all
19 taxes and penalties due under this subsection, to dispose of
20 taxes and penalties so collected in the manner provided in this
21 subsection, and to determine all rights to credit memoranda
22 arising on account of the erroneous payment of a tax or penalty
23 under this subsection.

24 In the administration of and compliance with this
25 subsection, the Department and persons who are subject to this
26 subsection shall (i) have the same rights, remedies,

1 privileges, immunities, powers and duties, (ii) be subject to
2 the same conditions, restrictions, limitations, penalties and
3 definition of terms, and (iii) employ the same modes of
4 procedure as are set forth in Sections 2 (except that that
5 reference to State in the definition of supplier maintaining a
6 place of business in this State means the county), 2a through
7 2d, 3 through 3-50 (in respect to all provisions contained in
8 those Sections other than the State rate of tax), 4 (except
9 that the reference to the State shall be to the county), 5, 7,
10 8 (except that the jurisdiction to which the tax is a debt to
11 the extent indicated in that Section 8 is the county), 9
12 (except as to the disposition of taxes and penalties
13 collected), 10, 11, 12 (except the reference therein to Section
14 2b of the Retailers' Occupation Tax Act), 13 (except that any
15 reference to the State means the county), Section 15, 16, 17,
16 18, 19, and 20 of the Service Occupation Tax Act and all
17 provisions of the Uniform Penalty and Interest Act, as fully as
18 if those provisions were set forth herein.

19 Persons subject to any tax imposed under the authority
20 granted in this subsection may reimburse themselves for their
21 serviceman's tax liability by separately stating the tax as an
22 additional charge, which may be stated in combination, in a
23 single amount, with State tax that servicemen are authorized to
24 collect under the Service Use Tax Act, pursuant to any
25 bracketed schedules set forth by the Department.

26 (c) The tax under this Section may not be imposed until the

1 question of imposing the tax has been submitted to the electors
2 of the county at a regular election and approved by a majority
3 of the electors voting on the question. For all regular
4 elections held prior to August 23, 2011 (the effective date of
5 Public Act 97-542), upon a resolution by the county board or a
6 resolution by school district boards that represent at least
7 51% of the student enrollment within the county, the county
8 board must certify the question to the proper election
9 authority in accordance with the Election Code.

10 For all regular elections held prior to August 23, 2011
11 (the effective date of Public Act 97-542), the election
12 authority must submit the question in substantially the
13 following form:

14 Shall (name of county) be authorized to impose a
15 retailers' occupation tax and a service occupation tax
16 (commonly referred to as a "sales tax") at a rate of
17 (insert rate) to be used exclusively for school facility
18 purposes?

19 The election authority must record the votes as "Yes" or "No".

20 If a majority of the electors voting on the question vote
21 in the affirmative, then the county may, thereafter, impose the
22 tax.

23 For all regular elections held on or after August 23, 2011
24 (the effective date of Public Act 97-542), the regional
25 superintendent of schools for the county must, upon receipt of
26 a resolution or resolutions of school district boards that

1 represent more than 50% of the student enrollment within the
2 county, certify the question to the proper election authority
3 for submission to the electors of the county at the next
4 regular election at which the question lawfully may be
5 submitted to the electors, all in accordance with the Election
6 Code.

7 For all regular elections held on or after August 23, 2011
8 (the effective date of Public Act 97-542), the election
9 authority must submit the question in substantially the
10 following form:

11 Shall a retailers' occupation tax and a service
12 occupation tax (commonly referred to as a "sales tax") be
13 imposed in (name of county) at a rate of (insert rate) to
14 be used exclusively for school facility purposes?

15 The election authority must record the votes as "Yes" or "No".

16 If a majority of the electors voting on the question vote
17 in the affirmative, then the tax shall be imposed at the rate
18 set forth in the question.

19 For the purposes of this subsection (c), "enrollment" means
20 the head count of the students residing in the county on the
21 last school day of September of each year, which must be
22 reported on the Illinois State Board of Education Public School
23 Fall Enrollment/Housing Report.

24 (d) The Department shall immediately pay over to the State
25 Treasurer, ex officio, as trustee, all taxes and penalties
26 collected under this Section to be deposited into the School

1 Facility Occupation Tax Fund, which shall be an unappropriated
2 trust fund held outside the State treasury.

3 On or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to the regional
6 superintendents of schools in counties from which retailers or
7 servicemen have paid taxes or penalties to the Department
8 during the second preceding calendar month. The amount to be
9 paid to each regional superintendent of schools and disbursed
10 to him or her in accordance with Section 3-14.31 of the School
11 Code, is equal to the amount (not including credit memoranda)
12 collected from the county under this Section during the second
13 preceding calendar month by the Department, (i) less 2% of that
14 amount, which shall be deposited into the Tax Compliance and
15 Administration Fund and shall be used by the Department,
16 subject to appropriation, to cover the costs of the Department
17 in administering and enforcing the provisions of this Section,
18 on behalf of the county, (ii) plus an amount that the
19 Department determines is necessary to offset any amounts that
20 were erroneously paid to a different taxing body; (iii) less an
21 amount equal to the amount of refunds made during the second
22 preceding calendar month by the Department on behalf of the
23 county; and (iv) less any amount that the Department determines
24 is necessary to offset any amounts that were payable to a
25 different taxing body but were erroneously paid to the county.
26 When certifying the amount of a monthly disbursement to a

1 regional superintendent of schools under this Section, the
2 Department shall increase or decrease the amounts by an amount
3 necessary to offset any miscalculation of previous
4 disbursements within the previous 6 months from the time a
5 miscalculation is discovered.

6 Within 10 days after receipt by the Comptroller from the
7 Department of the disbursement certification to the regional
8 superintendents of the schools provided for in this Section,
9 the Comptroller shall cause the orders to be drawn for the
10 respective amounts in accordance with directions contained in
11 the certification.

12 If the Department determines that a refund should be made
13 under this Section to a claimant instead of issuing a credit
14 memorandum, then the Department shall notify the Comptroller,
15 who shall cause the order to be drawn for the amount specified
16 and to the person named in the notification from the
17 Department. The refund shall be paid by the Treasurer out of
18 the School Facility Occupation Tax Fund.

19 (e) For the purposes of determining the local governmental
20 unit whose tax is applicable, a retail sale by a producer of
21 coal or another mineral mined in Illinois is a sale at retail
22 at the place where the coal or other mineral mined in Illinois
23 is extracted from the earth. This subsection does not apply to
24 coal or another mineral when it is delivered or shipped by the
25 seller to the purchaser at a point outside Illinois so that the
26 sale is exempt under the United States Constitution as a sale

1 in interstate or foreign commerce.

2 (f) Nothing in this Section may be construed to authorize a
3 tax to be imposed upon the privilege of engaging in any
4 business that under the Constitution of the United States may
5 not be made the subject of taxation by this State.

6 (g) If a county board imposes a tax under this Section
7 pursuant to a referendum held before August 23, 2011 (the
8 effective date of Public Act 97-542) at a rate below the rate
9 set forth in the question approved by a majority of electors of
10 that county voting on the question as provided in subsection
11 (c), then the county board may, by ordinance, increase the rate
12 of the tax up to the rate set forth in the question approved by
13 a majority of electors of that county voting on the question as
14 provided in subsection (c). If a county board imposes a tax
15 under this Section pursuant to a referendum held before August
16 23, 2011 (the effective date of Public Act 97-542), then the
17 board may, by ordinance, discontinue or reduce the rate of the
18 tax. If a tax is imposed under this Section pursuant to a
19 referendum held on or after August 23, 2011 (the effective date
20 of Public Act 97-542), then the county board may reduce or
21 discontinue the tax, but only in accordance with subsection
22 (h-5) of this Section. If, however, a school board issues bonds
23 that are secured by the proceeds of the tax under this Section,
24 then the county board may not reduce the tax rate or
25 discontinue the tax if that rate reduction or discontinuance
26 would adversely affect the school board's ability to pay the

1 principal and interest on those bonds as they become due or
2 necessitate the extension of additional property taxes to pay
3 the principal and interest on those bonds. If the county board
4 reduces the tax rate or discontinues the tax, then a referendum
5 must be held in accordance with subsection (c) of this Section
6 in order to increase the rate of the tax or to reimpose the
7 discontinued tax.

8 Until January 1, 2014, the results of any election that
9 imposes, reduces, or discontinues a tax under this Section must
10 be certified by the election authority, and any ordinance that
11 increases or lowers the rate or discontinues the tax must be
12 certified by the county clerk and, in each case, filed with the
13 Illinois Department of Revenue either (i) on or before the
14 first day of April, whereupon the Department shall proceed to
15 administer and enforce the tax or change in the rate as of the
16 first day of July next following the filing; or (ii) on or
17 before the first day of October, whereupon the Department shall
18 proceed to administer and enforce the tax or change in the rate
19 as of the first day of January next following the filing.

20 Beginning January 1, 2014, the results of any election that
21 imposes, reduces, or discontinues a tax under this Section must
22 be certified by the election authority, and any ordinance that
23 increases or lowers the rate or discontinues the tax must be
24 certified by the county clerk and, in each case, filed with the
25 Illinois Department of Revenue either (i) on or before the
26 first day of May, whereupon the Department shall proceed to

1 administer and enforce the tax or change in the rate as of the
2 first day of July next following the filing; or (ii) on or
3 before the first day of October, whereupon the Department shall
4 proceed to administer and enforce the tax or change in the rate
5 as of the first day of January next following the filing.

6 (h) For purposes of this Section, "school facility
7 purposes" means (i) the acquisition, development,
8 construction, reconstruction, rehabilitation, improvement,
9 financing, architectural planning, and installation of capital
10 facilities consisting of buildings, structures, and durable
11 equipment and for the acquisition and improvement of real
12 property and interest in real property required, or expected to
13 be required, in connection with the capital facilities and (ii)
14 the payment of bonds or other obligations heretofore or
15 hereafter issued, including bonds or other obligations
16 heretofore or hereafter issued to refund or to continue to
17 refund bonds or other obligations issued, for school facility
18 purposes, provided that the taxes levied to pay those bonds are
19 abated by the amount of the taxes imposed under this Section
20 that are used to pay those bonds. "School-facility purposes"
21 also includes fire prevention, safety, energy conservation,
22 accessibility, school security, and specified repair purposes
23 set forth under Section 17-2.11 of the School Code.

24 (h-5) A county board in a county where a tax has been
25 imposed under this Section pursuant to a referendum held on or
26 after August 23, 2011 (the effective date of Public Act 97-542)

1 may, by ordinance or resolution, submit to the voters of the
2 county the question of reducing or discontinuing the tax. In
3 the ordinance or resolution, the county board shall certify the
4 question to the proper election authority in accordance with
5 the Election Code. The election authority must submit the
6 question in substantially the following form:

7 Shall the school facility retailers' occupation tax
8 and service occupation tax (commonly referred to as the
9 "school facility sales tax") currently imposed in (name of
10 county) at a rate of (insert rate) be (reduced to (insert
11 rate)) (discontinued)?

12 If a majority of the electors voting on the question vote in
13 the affirmative, then, subject to the provisions of subsection
14 (g) of this Section, the tax shall be reduced or discontinued
15 as set forth in the question.

16 (i) This Section does not apply to Cook County.

17 (j) This Section may be cited as the County School Facility
18 Occupation Tax Law.

19 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;
20 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

21 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

22 Sec. 5-1007. Home Rule County Service Occupation Tax Law.
23 The corporate authorities of a home rule county may impose a
24 tax upon all persons engaged, in such county, in the business
25 of making sales of service at the same rate of tax imposed

1 pursuant to Section 5-1006 of the selling price of all tangible
2 personal property transferred by such servicemen either in the
3 form of tangible personal property or in the form of real
4 estate as an incident to a sale of service. If imposed, such
5 tax shall only be imposed in 1/4% increments. On and after
6 September 1, 1991, this additional tax may not be imposed on
7 tangible personal property taxed at the 1% rate under the
8 Service Occupation Tax Act ~~the sales of food for human~~
9 ~~consumption which is to be consumed off the premises where it~~
10 ~~is sold (other than alcoholic beverages, soft drinks and food~~
11 ~~which has been prepared for immediate consumption) and~~
12 ~~prescription and nonprescription medicines, drugs, medical~~
13 ~~appliances and insulin, urine testing materials, syringes and~~
14 ~~needles used by diabetics.~~ The tax imposed by a home rule
15 county pursuant to this Section and all civil penalties that
16 may be assessed as an incident thereof shall be collected and
17 enforced by the State Department of Revenue. The certificate of
18 registration which is issued by the Department to a retailer
19 under the Retailers' Occupation Tax Act or under the Service
20 Occupation Tax Act shall permit such registrant to engage in a
21 business which is taxable under any ordinance or resolution
22 enacted pursuant to this Section without registering
23 separately with the Department under such ordinance or
24 resolution or under this Section. The Department shall have
25 full power to administer and enforce this Section; to collect
26 all taxes and penalties due hereunder; to dispose of taxes and

1 penalties so collected in the manner hereinafter provided; and
2 to determine all rights to credit memoranda arising on account
3 of the erroneous payment of tax or penalty hereunder. In the
4 administration of, and compliance with, this Section the
5 Department and persons who are subject to this Section shall
6 have the same rights, remedies, privileges, immunities, powers
7 and duties, and be subject to the same conditions,
8 restrictions, limitations, penalties and definitions of terms,
9 and employ the same modes of procedure, as are prescribed in
10 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
11 provisions therein other than the State rate of tax), 4 (except
12 that the reference to the State shall be to the taxing county),
13 5, 7, 8 (except that the jurisdiction to which the tax shall be
14 a debt to the extent indicated in that Section 8 shall be the
15 taxing county), 9 (except as to the disposition of taxes and
16 penalties collected, and except that the returned merchandise
17 credit for this county tax may not be taken against any State
18 tax), 10, 11, 12 (except the reference therein to Section 2b of
19 the Retailers' Occupation Tax Act), 13 (except that any
20 reference to the State shall mean the taxing county), the first
21 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
22 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
23 Interest Act, as fully as if those provisions were set forth
24 herein.

25 No tax may be imposed by a home rule county pursuant to
26 this Section unless such county also imposes a tax at the same

1 rate pursuant to Section 5-1006.

2 Persons subject to any tax imposed pursuant to the
3 authority granted in this Section may reimburse themselves for
4 their serviceman's tax liability hereunder by separately
5 stating such tax as an additional charge, which charge may be
6 stated in combination, in a single amount, with State tax which
7 servicemen are authorized to collect under the Service Use Tax
8 Act, pursuant to such bracket schedules as the Department may
9 prescribe.

10 Whenever the Department determines that a refund should be
11 made under this Section to a claimant instead of issuing credit
12 memorandum, the Department shall notify the State Comptroller,
13 who shall cause the order to be drawn for the amount specified,
14 and to the person named, in such notification from the
15 Department. Such refund shall be paid by the State Treasurer
16 out of the home rule county retailers' occupation tax fund.

17 The Department shall forthwith pay over to the State
18 Treasurer, ex-officio, as trustee, all taxes and penalties
19 collected hereunder.

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the Innovation
25 Development and Economy Act, collected under this Section
26 during the second preceding calendar month for sales within a

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to named counties, the
6 counties to be those from which suppliers and servicemen have
7 paid taxes or penalties hereunder to the Department during the
8 second preceding calendar month. The amount to be paid to each
9 county shall be the amount (not including credit memoranda)
10 collected hereunder during the second preceding calendar month
11 by the Department, and not including an amount equal to the
12 amount of refunds made during the second preceding calendar
13 month by the Department on behalf of such county, and not
14 including any amounts that are transferred to the STAR Bonds
15 Revenue Fund, less 2% of the remainder, which the Department
16 shall transfer into the Tax Compliance and Administration Fund.
17 The Department, at the time of each monthly disbursement to the
18 counties, shall prepare and certify to the State Comptroller
19 the amount to be transferred into the Tax Compliance and
20 Administration Fund under this Section. Within 10 days after
21 receipt, by the Comptroller, of the disbursement certification
22 to the counties and the Tax Compliance and Administration Fund
23 provided for in this Section to be given to the Comptroller by
24 the Department, the Comptroller shall cause the orders to be
25 drawn for the respective amounts in accordance with the
26 directions contained in such certification.

1 In addition to the disbursement required by the preceding
2 paragraph, an allocation shall be made in each year to each
3 county which received more than \$500,000 in disbursements under
4 the preceding paragraph in the preceding calendar year. The
5 allocation shall be in an amount equal to the average monthly
6 distribution made to each such county under the preceding
7 paragraph during the preceding calendar year (excluding the 2
8 months of highest receipts). The distribution made in March of
9 each year subsequent to the year in which an allocation was
10 made pursuant to this paragraph and the preceding paragraph
11 shall be reduced by the amount allocated and disbursed under
12 this paragraph in the preceding calendar year. The Department
13 shall prepare and certify to the Comptroller for disbursement
14 the allocations made in accordance with this paragraph.

15 Nothing in this Section shall be construed to authorize a
16 county to impose a tax upon the privilege of engaging in any
17 business which under the Constitution of the United States may
18 not be made the subject of taxation by this State.

19 An ordinance or resolution imposing or discontinuing a tax
20 hereunder or effecting a change in the rate thereof shall be
21 adopted and a certified copy thereof filed with the Department
22 on or before the first day of June, whereupon the Department
23 shall proceed to administer and enforce this Section as of the
24 first day of September next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder or effecting a change in the

1 rate thereof shall be adopted and a certified copy thereof
2 filed with the Department on or before the first day of July,
3 whereupon the Department shall proceed to administer and
4 enforce this Section as of the first day of October next
5 following such adoption and filing. Beginning January 1, 1993,
6 an ordinance or resolution imposing or discontinuing the tax
7 hereunder or effecting a change in the rate thereof shall be
8 adopted and a certified copy thereof filed with the Department
9 on or before the first day of October, whereupon the Department
10 shall proceed to administer and enforce this Section as of the
11 first day of January next following such adoption and filing.
12 Beginning April 1, 1998, an ordinance or resolution imposing or
13 discontinuing the tax hereunder or effecting a change in the
14 rate thereof shall either (i) be adopted and a certified copy
15 thereof filed with the Department on or before the first day of
16 April, whereupon the Department shall proceed to administer and
17 enforce this Section as of the first day of July next following
18 the adoption and filing; or (ii) be adopted and a certified
19 copy thereof filed with the Department on or before the first
20 day of October, whereupon the Department shall proceed to
21 administer and enforce this Section as of the first day of
22 January next following the adoption and filing.

23 This Section shall be known and may be cited as the Home
24 Rule County Service Occupation Tax Law.

25 (Source: P.A. 100-23, eff. 7-6-17.)

1 (55 ILCS 5/5-1008.5)

2 Sec. 5-1008.5. Use and occupation taxes.

3 (a) The Rock Island County Board may adopt a resolution
4 that authorizes a referendum on the question of whether the
5 county shall be authorized to impose a retailers' occupation
6 tax, a service occupation tax, and a use tax at a rate of 1/4 of
7 1% on behalf of the economic development activities of Rock
8 Island County and communities located within the county. The
9 county board shall certify the question to the proper election
10 authorities who shall submit the question to the voters of the
11 county at the next regularly scheduled election in accordance
12 with the general election law. The question shall be in
13 substantially the following form:

14 Shall Rock Island County be authorized to impose a
15 retailers' occupation tax, a service occupation tax, and a
16 use tax at the rate of 1/4 of 1% for the sole purpose of
17 economic development activities, including creation and
18 retention of job opportunities, support of affordable
19 housing opportunities, and enhancement of quality of life
20 improvements?

21 Votes shall be recorded as "yes" or "no". If a majority of
22 all votes cast on the proposition are in favor of the
23 proposition, the county is authorized to impose the tax.

24 (b) The county shall impose the retailers' occupation tax
25 upon all persons engaged in the business of selling tangible
26 personal property at retail in the county, at the rate approved

1 by referendum, on the gross receipts from the sales made in the
2 course of those businesses within the county. This additional
3 tax may not be imposed on the sale of tangible personal
4 property taxed at the 1% rate under the Retailers' Occupation
5 Tax Act ~~food for human consumption that is to be consumed off~~
6 ~~the premises where it is sold (other than alcoholic beverages,~~
7 ~~soft drinks, and food that has been prepared for immediate~~
8 ~~consumption) and prescription and non-prescription medicines,~~
9 ~~drugs, medical appliances and insulin, urine testing~~
10 ~~materials, syringes, and needles used by diabetics.~~ The tax
11 imposed under this Section and all civil penalties that may be
12 assessed as an incident of the tax shall be collected and
13 enforced by the Department of Revenue. The Department has full
14 power to administer and enforce this Section; to collect all
15 taxes and penalties so collected in the manner provided in this
16 Section; and to determine all rights to credit memoranda
17 arising on account of the erroneous payment of tax or penalty
18 under this Section. In the administration of, and compliance
19 with, this Section, the Department and persons who are subject
20 to this Section shall (i) have the same rights, remedies,
21 privileges, immunities, powers and duties, (ii) be subject to
22 the same conditions, restrictions, limitations, penalties,
23 exclusions, exemptions, and definitions of terms, and (iii)
24 employ the same modes of procedure as are prescribed in
25 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,
26 2-5, 2-5.5, 2-10 (in respect to all provisions other than the

1 State rate of tax), 2-15 through 2-70, 2a, 2b, 2c, 3 (except as
2 to the disposition of taxes and penalties collected and
3 provisions related to quarter monthly payments), 4, 5, 5a, 5b,
4 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
5 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act and
6 Section 3-7 of the Uniform Penalty and Interest Act, as fully
7 as if those provisions were set forth in this subsection.

8 Persons subject to any tax imposed under this subsection
9 may reimburse themselves for their seller's tax liability by
10 separately stating the tax as an additional charge, which
11 charge may be stated in combination, in a single amount, with
12 State taxes that sellers are required to collect, in accordance
13 with bracket schedules prescribed by the Department.

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

22 If a tax is imposed under this subsection (b), a tax shall
23 also be imposed at the same rate under subsections (c) and (d)
24 of this Section.

25 For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale, by a producer

1 of coal or another mineral mined in Illinois, is a sale at
2 retail at the place where the coal or other mineral mined in
3 Illinois is extracted from the earth. This paragraph does not
4 apply to coal or another mineral when it is delivered or
5 shipped by the seller to the purchaser at a point outside
6 Illinois so that the sale is exempt under the federal
7 Constitution as a sale in interstate or foreign commerce.

8 Nothing in this Section shall be construed to authorize the
9 county to impose a tax upon the privilege of engaging in any
10 business that under the Constitution of the United States may
11 not be made the subject of taxation by this State.

12 (c) If a tax has been imposed under subsection (b), a
13 service occupation tax shall also be imposed at the same rate
14 upon all persons engaged, in the county, in the business of
15 making sales of service, who, as an incident to making those
16 sales of service, transfer tangible personal property within
17 the county as an incident to a sale of service. This additional
18 tax may not be imposed on the sale of tangible personal
19 property taxed at the 1% rate under the Service Occupation Tax
20 Act ~~food for human consumption that is to be consumed off the~~
21 ~~premises where it is sold (other than alcoholic beverages, soft~~
22 ~~drinks, and food that has been prepared for immediate~~
23 ~~consumption) and prescription and non-prescription medicines,~~
24 ~~drugs, medical appliances and insulin, urine testing~~
25 ~~materials, syringes, and needles used by diabetics.~~ The tax
26 imposed under this subsection and all civil penalties that may

1 be assessed as an incident of the tax shall be collected and
2 enforced by the Department of Revenue. The Department has full
3 power to administer and enforce this paragraph; to collect all
4 taxes and penalties due under this Section; to dispose of taxes
5 and penalties so collected in the manner provided in this
6 Section; and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of tax or penalty
8 under this Section. In the administration of, and compliance
9 with this paragraph, the Department and persons who are subject
10 to this paragraph shall (i) have the same rights, remedies,
11 privileges, immunities, powers, and duties, (ii) be subject to
12 the same conditions, restrictions, limitations, penalties,
13 exclusions, exemptions, and definitions of terms, and (iii)
14 employ the same modes of procedure as are prescribed in
15 Sections 2 (except that the reference to State in the
16 definition of supplier maintaining a place of business in this
17 State shall mean the county), 2a, 2b, 3 through 3-55 (in
18 respect to all provisions other than the State rate of tax), 4
19 (except that the reference to the State shall be to the
20 county), 5, 7, 8 (except that the jurisdiction to which the tax
21 shall be a debt to the extent indicated in that Section 8 shall
22 be the county), 9 (except as to the disposition of taxes and
23 penalties collected, and except that the returned merchandise
24 credit for this tax may not be taken against any State tax),
25 11, 12 (except the reference to Section 2b of the Retailers'
26 Occupation Tax Act), 13 (except that any reference to the State

1 shall mean the county), 15, 16, 17, 18, 19 and 20 of the
2 Service Occupation Tax Act and Section 3-7 of the Uniform
3 Penalty and Interest Act, as fully as if those provisions were
4 set forth in this subsection.

5 Persons subject to any tax imposed under the authority
6 granted in this subsection may reimburse themselves for their
7 serviceman's tax liability by separately stating the tax as an
8 additional charge, which charge may be stated in combination,
9 in a single amount, with State tax that servicemen are
10 authorized to collect under the Service Use Tax Act, in
11 accordance with bracket schedules prescribed by the
12 Department.

13 Whenever the Department determines that a refund should be
14 made under this subsection to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant 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 tax fund referenced under paragraph (g) of
20 this Section.

21 Nothing in this paragraph shall be construed to authorize
22 the county to impose a tax upon the privilege of engaging in
23 any business that under the Constitution of the United States
24 may not be made the subject of taxation by the State.

25 (d) If a tax has been imposed under subsection (b), a use
26 tax shall also be imposed at the same rate upon the privilege

1 of using, in the county, any item of tangible personal property
2 that is purchased outside the county at retail from a retailer,
3 and that is titled or registered at a location within the
4 county with an agency of this State's government. ~~This~~
5 ~~additional tax may not be imposed on the sale of food for human~~
6 ~~consumption that is to be consumed off the premises where it is~~
7 ~~sold (other than alcoholic beverages, soft drinks, and food~~
8 ~~that has been prepared for immediate consumption) and~~
9 ~~prescription and non prescription medicines, drugs, medical~~
10 ~~appliances and insulin, urine testing materials, syringes, and~~
11 ~~needles used by diabetics.~~ "Selling price" is defined as in the
12 Use Tax Act. The tax shall be collected from persons whose
13 Illinois address for titling or registration purposes is given
14 as being in the county. The tax shall be collected by the
15 Department of Revenue for the county. The tax must be paid to
16 the State, or an exemption determination must be obtained from
17 the 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 the
20 State agency with which, or the State officer with whom, the
21 tangible personal property must be titled or registered if the
22 Department and the State agency or State officer determine that
23 this procedure will expedite the processing of applications for
24 title or registration.

25 The Department has full power to administer and enforce
26 this paragraph; to collect all taxes, penalties, and interest

1 due under this Section; to dispose of taxes, penalties, and
2 interest so collected in the manner provided in this Section;
3 and to determine all rights to credit memoranda or refunds
4 arising on account of the erroneous payment of tax, penalty, or
5 interest under this Section. In the administration of, and
6 compliance with, this subsection, the Department and persons
7 who are subject to this paragraph shall (i) have the same
8 rights, remedies, privileges, immunities, powers, and duties,
9 (ii) be subject to the same conditions, restrictions,
10 limitations, penalties, exclusions, exemptions, and
11 definitions of terms, and (iii) employ the same modes of
12 procedure as are prescribed in Sections 2 (except the
13 definition of "retailer maintaining a place of business in this
14 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,
15 7, 8 (except that the jurisdiction to which the tax shall be a
16 debt to the extent indicated in that Section 8 shall be the
17 county), 9 (except provisions relating to quarter monthly
18 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22
19 of the Use Tax Act and Section 3-7 of the Uniform Penalty and
20 Interest Act, that are not inconsistent with this paragraph, as
21 fully as if those provisions were set forth in this subsection.

22 Whenever the Department determines that a refund should be
23 made under this subsection to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the order to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the tax fund referenced under paragraph (g) of
3 this Section.

4 (e) A certificate of registration issued by the State
5 Department of Revenue to a retailer under the Retailers'
6 Occupation Tax Act or under the Service Occupation Tax Act
7 shall permit the registrant to engage in a business that is
8 taxed under the tax imposed under paragraphs (b), (c), or (d)
9 of this Section and no additional registration shall be
10 required. A certificate issued under the Use Tax Act or the
11 Service Use Tax Act shall be applicable with regard to any tax
12 imposed under paragraph (c) of this Section.

13 (f) The results of any election authorizing a proposition
14 to impose a tax under this Section or effecting a change in the
15 rate of tax shall be certified by the proper election
16 authorities and filed with the Illinois Department on or before
17 the first day of October. In addition, an ordinance imposing,
18 discontinuing, or effecting a change in the rate of tax under
19 this Section shall be adopted and a certified copy of the
20 ordinance filed with the Department on or before the first day
21 of October. After proper receipt of the certifications, the
22 Department shall proceed to administer and enforce this Section
23 as of the first day of January next following the adoption and
24 filing.

25 (g) The Department of Revenue shall, upon collecting any
26 taxes and penalties as provided in this Section, pay the taxes

1 and penalties over to the State Treasurer as trustee for the
2 county. The taxes and penalties shall be held in a trust fund
3 outside the State Treasury. On or before the 25th day of each
4 calendar month, the Department of Revenue shall prepare and
5 certify to the Comptroller of the State of Illinois the amount
6 to be paid to the county, which shall be the balance in the
7 fund, less any amount determined by the Department to be
8 necessary for the payment of refunds. Within 10 days after
9 receipt by the Comptroller of the certification of the amount
10 to be paid to the county, the Comptroller shall cause an order
11 to be drawn for payment for the amount in accordance with the
12 directions contained in the certification. Amounts received
13 from the tax imposed under this Section shall be used only for
14 the economic development activities of the county and
15 communities located within the county.

16 (h) When certifying the amount of a monthly disbursement to
17 the county under this Section, the Department shall increase or
18 decrease the amounts by an amount necessary to offset any
19 miscalculation of previous disbursements. The offset amount
20 shall be the amount erroneously disbursed within the previous 6
21 months from the time a miscalculation is discovered.

22 (i) This Section may be cited as the Rock Island County Use
23 and Occupation Tax Law.

24 (Source: P.A. 90-415, eff. 8-15-97.)

25 Section 110. The Illinois Municipal Code is amended by

1 changing Sections 8-11-1, 8-11-1.3, 8-11-1.4, 8-11-1.6,
2 8-11-1.7, 8-11-5, and 11-74.3-6 as follows:

3 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

4 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
5 Act. The corporate authorities of a home rule municipality may
6 impose a tax upon all persons engaged in the business of
7 selling tangible personal property, other than an item of
8 tangible personal property titled or registered with an agency
9 of this State's government, at retail in the municipality on
10 the gross receipts from these sales made in the course of such
11 business. If imposed, the tax shall only be imposed in 1/4%
12 increments. On and after September 1, 1991, this additional tax
13 may not be imposed on the sales of tangible personal property
14 taxed at the 1% rate under the Retailers' Occupation Tax Act
15 ~~food for human consumption that is to be consumed off the~~
16 ~~premises where it is sold (other than alcoholic beverages, soft~~
17 ~~drinks and food that has been prepared for immediate~~
18 ~~consumption) and prescription and nonprescription medicines,~~
19 ~~drugs, medical appliances and insulin, urine testing~~
20 ~~materials, syringes and needles used by diabetics.~~ The tax
21 imposed by a home rule municipality under this Section and all
22 civil penalties that may be assessed as an incident of the tax
23 shall be collected and enforced by the State Department of
24 Revenue. The certificate of registration that is issued by the
25 Department to a retailer under the Retailers' Occupation Tax

1 Act shall permit the retailer to engage in a business that is
2 taxable under any ordinance or resolution enacted pursuant to
3 this Section without registering separately with the
4 Department under such ordinance or resolution or under this
5 Section. The Department shall have full power to administer and
6 enforce this Section; to collect all taxes and penalties due
7 hereunder; to dispose of taxes and penalties so collected in
8 the manner hereinafter provided; and to determine all rights to
9 credit memoranda arising on account of the erroneous payment of
10 tax or penalty hereunder. In the administration of, and
11 compliance with, this Section the Department and persons who
12 are subject to this Section shall have the same rights,
13 remedies, privileges, immunities, powers and duties, and be
14 subject to the same conditions, restrictions, limitations,
15 penalties and definitions of terms, and employ the same modes
16 of procedure, as are prescribed in Sections 1, 1a, 1d, 1e, 1f,
17 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
18 provisions therein other than the State rate of tax), 2c, 3
19 (except as to the disposition of taxes and penalties
20 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
21 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
22 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
23 Penalty and Interest Act, as fully as if those provisions were
24 set forth herein.

25 No tax may be imposed by a home rule municipality under
26 this Section unless the municipality also imposes a tax at the

1 same rate under Section 8-11-5 of this Act.

2 Persons subject to any tax imposed under the authority
3 granted in this Section may reimburse themselves for their
4 seller's tax liability hereunder by separately stating that tax
5 as an additional charge, which charge may be stated in
6 combination, in a single amount, with State tax which sellers
7 are required to collect under the Use Tax Act, pursuant to such
8 bracket schedules as the Department may prescribe.

9 Whenever the Department determines that a refund should be
10 made under this Section to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the home rule municipal retailers' occupation
16 tax fund.

17 The Department shall immediately pay over to the State
18 Treasurer, ex officio, as trustee, all taxes and penalties
19 collected hereunder.

20 As soon as possible after the first day of each month,
21 beginning January 1, 2011, upon certification of the Department
22 of Revenue, the Comptroller shall order transferred, and the
23 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
24 local sales tax increment, as defined in the Innovation
25 Development and Economy Act, collected under this Section
26 during the second preceding calendar month for sales within a

1 STAR bond district.

2 After the monthly transfer to the STAR Bonds Revenue Fund,
3 on or before the 25th day of each calendar month, the
4 Department shall prepare and certify to the Comptroller the
5 disbursement of stated sums of money to named municipalities,
6 the municipalities to be those from which retailers have paid
7 taxes or penalties hereunder to the Department during the
8 second preceding calendar month. The amount to be paid to each
9 municipality shall be the amount (not including credit
10 memoranda) collected hereunder during the second preceding
11 calendar month by the Department plus an amount the Department
12 determines is necessary to offset any amounts that were
13 erroneously paid to a different taxing body, and not including
14 an amount equal to the amount of refunds made during the second
15 preceding calendar month by the Department on behalf of such
16 municipality, and not including any amount that the Department
17 determines is necessary to offset any amounts that were payable
18 to a different taxing body but were erroneously paid to the
19 municipality, and not including any amounts that are
20 transferred to the STAR Bonds Revenue Fund, less 2% of the
21 remainder, which the Department shall transfer into the Tax
22 Compliance and Administration Fund. The Department, at the time
23 of each monthly disbursement to the municipalities, shall
24 prepare and certify to the State Comptroller the amount to be
25 transferred into the Tax Compliance and Administration Fund
26 under this Section. Within 10 days after receipt by the

1 Comptroller of the disbursement certification to the
2 municipalities and the Tax Compliance and Administration Fund
3 provided for in this Section to be given to the Comptroller by
4 the Department, the Comptroller shall cause the orders to be
5 drawn for the respective amounts in accordance with the
6 directions contained in the certification.

7 In addition to the disbursement required by the preceding
8 paragraph and in order to mitigate delays caused by
9 distribution procedures, an allocation shall, if requested, be
10 made within 10 days after January 14, 1991, and in November of
11 1991 and each year thereafter, to each municipality that
12 received more than \$500,000 during the preceding fiscal year,
13 (July 1 through June 30) whether collected by the municipality
14 or disbursed by the Department as required by this Section.
15 Within 10 days after January 14, 1991, participating
16 municipalities shall notify the Department in writing of their
17 intent to participate. In addition, for the initial
18 distribution, participating municipalities shall certify to
19 the Department the amounts collected by the municipality for
20 each month under its home rule occupation and service
21 occupation tax during the period July 1, 1989 through June 30,
22 1990. The allocation within 10 days after January 14, 1991,
23 shall be in an amount equal to the monthly average of these
24 amounts, excluding the 2 months of highest receipts. The
25 monthly average for the period of July 1, 1990 through June 30,
26 1991 will be determined as follows: the amounts collected by

1 the municipality under its home rule occupation and service
2 occupation tax during the period of July 1, 1990 through
3 September 30, 1990, plus amounts collected by the Department
4 and paid to such municipality through June 30, 1991, excluding
5 the 2 months of highest receipts. The monthly average for each
6 subsequent period of July 1 through June 30 shall be an amount
7 equal to the monthly distribution made to each such
8 municipality under the preceding paragraph during this period,
9 excluding the 2 months of highest receipts. The distribution
10 made in November 1991 and each year thereafter under this
11 paragraph and the preceding paragraph shall be reduced by the
12 amount allocated and disbursed under this paragraph in the
13 preceding period of July 1 through June 30. The Department
14 shall prepare and certify to the Comptroller for disbursement
15 the allocations made in accordance with this paragraph.

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

25 Nothing in this Section shall be construed to authorize a
26 municipality to impose a tax upon the privilege of engaging in

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

3 An ordinance or resolution imposing or discontinuing a tax
4 hereunder or effecting a change in the rate thereof shall be
5 adopted and a certified copy thereof filed with the Department
6 on or before the first day of June, whereupon the Department
7 shall proceed to administer and enforce this Section as of the
8 first day of September next following the adoption and filing.
9 Beginning January 1, 1992, an ordinance or resolution imposing
10 or discontinuing the tax hereunder or effecting a change in the
11 rate thereof shall be adopted and a certified copy thereof
12 filed with the Department on or before the first day of July,
13 whereupon the Department shall proceed to administer and
14 enforce this Section as of the first day of October next
15 following such adoption and filing. Beginning January 1, 1993,
16 an ordinance or resolution imposing or discontinuing the tax
17 hereunder or effecting a change in the rate thereof shall be
18 adopted and a certified copy thereof filed with the Department
19 on or before the first day of October, whereupon the Department
20 shall proceed to administer and enforce this Section as of the
21 first day of January next following the adoption and filing.
22 However, a municipality located in a county with a population
23 in excess of 3,000,000 that elected to become a home rule unit
24 at the general primary election in 1994 may adopt an ordinance
25 or resolution imposing the tax under this Section and file a
26 certified copy of the ordinance or resolution with the

1 Department on or before July 1, 1994. The Department shall then
2 proceed to administer and enforce this Section as of October 1,
3 1994. Beginning April 1, 1998, an ordinance or resolution
4 imposing or discontinuing the tax hereunder or effecting a
5 change in the rate thereof shall either (i) be adopted and a
6 certified copy thereof filed with the Department on or before
7 the first day of April, whereupon the Department shall proceed
8 to administer and enforce this Section as of the first day of
9 July next following the adoption and filing; or (ii) be adopted
10 and a certified copy thereof filed with the Department on or
11 before the first day of October, whereupon the Department shall
12 proceed to administer and enforce this Section as of the first
13 day of January next following the adoption and filing.

14 When certifying the amount of a monthly disbursement to a
15 municipality under this Section, the Department shall increase
16 or decrease the amount by an amount necessary to offset any
17 misallocation of previous disbursements. The offset amount
18 shall be the amount erroneously disbursed within the previous 6
19 months from the time a misallocation is discovered.

20 Any unobligated balance remaining in the Municipal
21 Retailers' Occupation Tax Fund on December 31, 1989, which fund
22 was abolished by Public Act 85-1135, and all receipts of
23 municipal tax as a result of audits of liability periods prior
24 to January 1, 1990, shall be paid into the Local Government Tax
25 Fund for distribution as provided by this Section prior to the
26 enactment of Public Act 85-1135. All receipts of municipal tax

1 as a result of an assessment not arising from an audit, for
2 liability periods prior to January 1, 1990, shall be paid into
3 the Local Government Tax Fund for distribution before July 1,
4 1990, as provided by this Section prior to the enactment of
5 Public Act 85-1135; and on and after July 1, 1990, all such
6 receipts shall be distributed as provided in Section 6z-18 of
7 the State Finance Act.

8 As used in this Section, "municipal" and "municipality"
9 means a city, village or incorporated town, including an
10 incorporated town that has superseded a civil township.

11 This Section shall be known and may be cited as the Home
12 Rule Municipal Retailers' Occupation Tax Act.

13 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

14 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

15 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
16 Occupation Tax Act. The corporate authorities of a non-home
17 rule municipality may impose a tax upon all persons engaged in
18 the business of selling tangible personal property, other than
19 on an item of tangible personal property which is titled and
20 registered by an agency of this State's Government, at retail
21 in the municipality for expenditure on public infrastructure or
22 for property tax relief or both as defined in Section 8-11-1.2
23 if approved by referendum as provided in Section 8-11-1.1, of
24 the gross receipts from such sales made in the course of such
25 business. If the tax is approved by referendum on or after July

1 14, 2010 (the effective date of Public Act 96-1057), the
2 corporate authorities of a non-home rule municipality may,
3 until December 31, 2020, use the proceeds of the tax for
4 expenditure on municipal operations, in addition to or in lieu
5 of any expenditure on public infrastructure or for property tax
6 relief. The tax imposed may not be more than 1% and may be
7 imposed only in 1/4% increments. The tax may not be imposed on
8 the sale of tangible personal property taxed at the 1% rate
9 under the Retailers' Occupation Tax Act ~~food for human~~
10 ~~consumption that is to be consumed off the premises where it is~~
11 ~~sold (other than alcoholic beverages, soft drinks, and food~~
12 ~~that has been prepared for immediate consumption) and~~
13 ~~prescription and nonprescription medicines, drugs, medical~~
14 ~~appliances, and insulin, urine testing materials, syringes,~~
15 ~~and needles used by diabetics.~~ The tax imposed by a
16 municipality pursuant to this Section and all civil penalties
17 that may be assessed as an incident thereof shall be collected
18 and enforced by the State Department of Revenue. The
19 certificate of registration which is issued by the Department
20 to a retailer under the Retailers' Occupation Tax Act shall
21 permit such retailer to engage in a business which is taxable
22 under any ordinance or resolution enacted pursuant to this
23 Section without registering separately with the Department
24 under such ordinance or resolution or under this Section. The
25 Department shall have full power to administer and enforce this
26 Section; to collect all taxes and penalties due hereunder; to

1 dispose of taxes and penalties so collected in the manner
2 hereinafter provided, and to determine all rights to credit
3 memoranda, arising on account of the erroneous payment of tax
4 or penalty hereunder. In the administration of, and compliance
5 with, this Section, the Department and persons who are subject
6 to this Section shall have the same rights, remedies,
7 privileges, immunities, powers and duties, and be subject to
8 the same conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure,
10 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
11 2 through 2-65 (in respect to all provisions therein other than
12 the State rate of tax), 2c, 3 (except as to the disposition of
13 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
14 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
15 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
16 the Uniform Penalty and Interest Act as fully as if those
17 provisions were set forth herein.

18 No municipality may impose a tax under this Section unless
19 the municipality also imposes a tax at the same rate under
20 Section 8-11-1.4 of this Code.

21 Persons subject to any tax imposed pursuant to the
22 authority granted in this Section may reimburse themselves for
23 their seller's tax liability hereunder by separately stating
24 such tax as an additional charge, which charge may be stated in
25 combination, in a single amount, with State tax which sellers
26 are required to collect under the Use Tax Act, pursuant to such

1 bracket schedules as the Department may prescribe.

2 Whenever the Department determines that a refund should be
3 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 order to be drawn for the
6 amount specified, and to the person named, in such notification
7 from the Department. Such refund shall be paid by the State
8 Treasurer out of the non-home rule municipal retailers'
9 occupation tax fund.

10 The Department shall forthwith pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected hereunder.

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Innovation
18 Development and Economy Act, collected under this Section
19 during the second preceding calendar month for sales within a
20 STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to named municipalities,
25 the municipalities to be those from which retailers have paid
26 taxes or penalties hereunder to the Department during the

1 second preceding calendar month. The amount to be paid to each
2 municipality shall be the amount (not including credit
3 memoranda) collected hereunder during the second preceding
4 calendar month by the Department plus an amount the Department
5 determines is necessary to offset any amounts which were
6 erroneously paid to a different taxing body, and not including
7 an amount equal to the amount of refunds made during the second
8 preceding calendar month by the Department on behalf of such
9 municipality, and not including any amount which the Department
10 determines is necessary to offset any amounts which were
11 payable to a different taxing body but were erroneously paid to
12 the municipality, and not including any amounts that are
13 transferred to the STAR Bonds Revenue Fund, less 2% of the
14 remainder, which the Department shall transfer into the Tax
15 Compliance and Administration Fund. The Department, at the time
16 of each monthly disbursement to the municipalities, shall
17 prepare and certify to the State Comptroller the amount to be
18 transferred into the Tax Compliance and Administration Fund
19 under this Section. Within 10 days after receipt, by the
20 Comptroller, of the disbursement certification to the
21 municipalities and the Tax Compliance and Administration Fund
22 provided for in this Section to be given to the Comptroller by
23 the Department, the Comptroller shall cause the orders to be
24 drawn for the respective amounts in accordance with the
25 directions contained in such certification.

26 For the purpose of determining the local governmental unit

1 whose tax is applicable, a retail sale, by a producer of coal
2 or other mineral mined in Illinois, is a sale at retail at the
3 place where the coal or other mineral mined in Illinois is
4 extracted from the earth. This paragraph does not apply to coal
5 or other mineral when it is delivered or shipped by the seller
6 to the purchaser at a point outside Illinois so that the sale
7 is exempt under the Federal Constitution as a sale in
8 interstate or foreign commerce.

9 Nothing in this Section shall be construed to authorize a
10 municipality to impose a tax upon the privilege of engaging in
11 any business which under the constitution of the United States
12 may not be made the subject of taxation by this State.

13 When certifying the amount of a monthly disbursement to a
14 municipality under this Section, the Department shall increase
15 or decrease such amount by an amount necessary to offset any
16 misallocation of previous disbursements. The offset amount
17 shall be the amount erroneously disbursed within the previous 6
18 months from the time a misallocation is discovered.

19 The Department of Revenue shall implement this amendatory
20 Act of the 91st General Assembly so as to collect the tax on
21 and after January 1, 2002.

22 As used in this Section, "municipal" and "municipality"
23 means a city, village or incorporated town, including an
24 incorporated town which has superseded a civil township.

25 This Section shall be known and may be cited as the
26 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

1 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

2 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

3 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
4 Tax Act. The corporate authorities of a non-home rule
5 municipality may impose a tax upon all persons engaged, in such
6 municipality, in the business of making sales of service for
7 expenditure on public infrastructure or for property tax relief
8 or both as defined in Section 8-11-1.2 if approved by
9 referendum as provided in Section 8-11-1.1, of the selling
10 price of all tangible personal property transferred by such
11 servicemen either in the form of tangible personal property or
12 in the form of real estate as an incident to a sale of service.
13 If the tax is approved by referendum on or after July 14, 2010
14 (the effective date of Public Act 96-1057), the corporate
15 authorities of a non-home rule municipality may, until December
16 31, 2020, use the proceeds of the tax for expenditure on
17 municipal operations, in addition to or in lieu of any
18 expenditure on public infrastructure or for property tax
19 relief. The tax imposed may not be more than 1% and may be
20 imposed only in 1/4% increments. The tax may not be imposed on
21 the sale of tangible personal property taxed at the 1% rate
22 under the Service Occupation Tax Act ~~food for human consumption~~
23 ~~that is to be consumed off the premises where it is sold (other~~
24 ~~than alcoholic beverages, soft drinks, and food that has been~~
25 ~~prepared for immediate consumption) and prescription and~~

1 ~~nonprescription medicines, drugs, medical appliances, and~~
2 ~~insulin, urine testing materials, syringes, and needles used by~~
3 ~~diabetics.~~ The tax imposed by a municipality pursuant to this
4 Section and all civil penalties that may be assessed as an
5 incident thereof shall be collected and enforced by the State
6 Department of Revenue. The certificate of registration which is
7 issued by the Department to a retailer under the Retailers'
8 Occupation Tax Act or under the Service Occupation Tax Act
9 shall permit such registrant to engage in a business which is
10 taxable under any ordinance or resolution enacted pursuant to
11 this Section without registering separately with the
12 Department under such ordinance or resolution or under this
13 Section. The Department shall have full power to administer and
14 enforce this Section; to collect all taxes and penalties due
15 hereunder; to dispose of taxes and penalties so collected in
16 the manner hereinafter provided, and to determine all rights to
17 credit memoranda arising on account of the erroneous payment of
18 tax or penalty hereunder. In the administration of, and
19 compliance with, this Section the Department and persons who
20 are subject to this Section shall have the same rights,
21 remedies, privileges, immunities, powers and duties, and be
22 subject to the same conditions, restrictions, limitations,
23 penalties and definitions of terms, and employ the same modes
24 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
25 through 3-50 (in respect to all provisions therein other than
26 the State rate of tax), 4 (except that the reference to the

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

14 No municipality may impose a tax under this Section unless
15 the municipality also imposes a tax at the same rate under
16 Section 8-11-1.3 of this Code.

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

25 Whenever the Department determines that a refund should be
26 made under this Section to a claimant instead of issuing credit

1 memorandum, the Department shall notify the State Comptroller,
2 who shall cause the order to be drawn for the amount specified,
3 and to the person named, in such notification from the
4 Department. Such refund shall be paid by the State Treasurer
5 out of the municipal retailers' occupation tax fund.

6 The Department shall forthwith pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected hereunder.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected under this Section
15 during the second preceding calendar month for sales within a
16 STAR bond district.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to named municipalities,
21 the municipalities to be those from which suppliers and
22 servicemen have paid taxes or penalties hereunder to the
23 Department during the second preceding calendar month. The
24 amount to be paid to each municipality shall be the amount (not
25 including credit memoranda) collected hereunder during the
26 second preceding calendar month by the Department, and not

1 including an amount equal to the amount of refunds made during
2 the second preceding calendar month by the Department on behalf
3 of such municipality, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund, less 2% of the
5 remainder, which the Department shall transfer into the Tax
6 Compliance and Administration Fund. The Department, at the time
7 of each monthly disbursement to the municipalities, shall
8 prepare and certify to the State Comptroller the amount to be
9 transferred into the Tax Compliance and Administration Fund
10 under this Section. Within 10 days after receipt, by the
11 Comptroller, of the disbursement certification to the
12 municipalities, the General Revenue Fund, and the Tax
13 Compliance and Administration Fund provided for in this Section
14 to be given to the Comptroller by the Department, the
15 Comptroller shall cause the orders to be drawn for the
16 respective amounts in accordance with the directions contained
17 in such certification.

18 The Department of Revenue shall implement this amendatory
19 Act of the 91st General Assembly so as to collect the tax on
20 and after January 1, 2002.

21 Nothing in this Section shall be construed to authorize a
22 municipality to impose a tax upon the privilege of engaging in
23 any business which under the constitution of the United States
24 may not be made the subject of taxation by this State.

25 As used in this Section, "municipal" or "municipality"
26 means or refers to a city, village or incorporated town,

1 including an incorporated town which has superseded a civil
2 township.

3 This Section shall be known and may be cited as the
4 "Non-Home Rule Municipal Service Occupation Tax Act".

5 (Source: P.A. 100-23, eff. 7-6-17.)

6 (65 ILCS 5/8-11-1.6)

7 Sec. 8-11-1.6. Non-home rule municipal retailers
8 occupation tax; municipalities between 20,000 and 25,000. The
9 corporate authorities of a non-home rule municipality with a
10 population of more than 20,000 but less than 25,000 that has,
11 prior to January 1, 1987, established a Redevelopment Project
12 Area that has been certified as a State Sales Tax Boundary and
13 has issued bonds or otherwise incurred indebtedness to pay for
14 costs in excess of \$5,000,000, which is secured in part by a
15 tax increment allocation fund, in accordance with the
16 provisions of Division 11-74.4 of this Code may, by passage of
17 an ordinance, impose a tax upon all persons engaged in the
18 business of selling tangible personal property, other than on
19 an item of tangible personal property that is titled and
20 registered by an agency of this State's Government, at retail
21 in the municipality. This tax may not be imposed on the sales
22 of tangible personal property taxed at the 1% rate under the
23 Retailers' Occupation Tax Act ~~food for human consumption that~~
24 ~~is to be consumed off the premises where it is sold (other than~~
25 ~~alcoholic beverages, soft drinks, and food that has been~~

1 ~~prepared for immediate consumption) and prescription and~~
2 ~~nonprescription medicines, drugs, medical appliances and~~
3 ~~insulin, urine testing materials, syringes, and needles used by~~
4 ~~diabetics.~~ If imposed, the tax shall only be imposed in .25%
5 increments of the gross receipts from such sales made in the
6 course of business. Any tax imposed by a municipality under
7 this Section and all civil penalties that may be assessed as an
8 incident thereof shall be collected and enforced by the State
9 Department of Revenue. An ordinance imposing a tax hereunder or
10 effecting a change in the rate thereof shall be adopted and a
11 certified copy thereof filed with the Department on or before
12 the first day of October, whereupon the Department shall
13 proceed to administer and enforce this Section as of the first
14 day of January next following such adoption and filing. The
15 certificate of registration that is issued by the Department to
16 a retailer under the Retailers' Occupation Tax Act shall permit
17 the retailer to engage in a business that is taxable under any
18 ordinance or resolution enacted under this Section without
19 registering separately with the Department under the ordinance
20 or resolution or under this Section. The Department shall have
21 full power to administer and enforce this Section, to collect
22 all taxes and penalties due hereunder, to dispose of taxes and
23 penalties so collected in the manner hereinafter provided, and
24 to determine all rights to credit memoranda, arising on account
25 of the erroneous payment of tax or penalty hereunder. In the
26 administration of, and compliance with this Section, the

1 Department and persons who are subject to this Section shall
2 have the same rights, remedies, privileges, immunities,
3 powers, and duties, and be subject to the same conditions,
4 restrictions, limitations, penalties, and definitions of
5 terms, and employ the same modes of procedure, as are
6 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
7 through 2-65 (in respect to all provisions therein other than
8 the State rate of tax), 2c, 3 (except as to the disposition of
9 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
10 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
11 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
12 the Uniform Penalty and Interest Act as fully as if those
13 provisions were set forth herein.

14 A tax may not be imposed by a municipality under this
15 Section unless the municipality also imposes a tax at the same
16 rate under Section 8-11-1.7 of this Act.

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

24 Whenever the Department determines that a refund should be
25 made under this Section to a claimant, instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified, and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Non-Home Rule Municipal Retailers'
5 Occupation Tax Fund, which is hereby created.

6 The Department shall forthwith pay over to the State
7 Treasurer, ex officio, as trustee, all taxes and penalties
8 collected hereunder.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected under this Section
15 during the second preceding calendar month for sales within a
16 STAR bond district.

17 After the monthly transfer to the STAR Bonds Revenue Fund,
18 on or before the 25th day of each calendar month, the
19 Department shall prepare and certify to the Comptroller the
20 disbursement of stated sums of money to named municipalities,
21 the municipalities to be those from which retailers have paid
22 taxes or penalties hereunder to the Department during the
23 second preceding calendar month. The amount to be paid to each
24 municipality shall be the amount (not including credit
25 memoranda) collected hereunder during the second preceding
26 calendar month by the Department plus an amount the Department

1 determines is necessary to offset any amounts that were
2 erroneously paid to a different taxing body, and not including
3 an amount equal to the amount of refunds made during the second
4 preceding calendar month by the Department on behalf of the
5 municipality, and not including any amount that the Department
6 determines is necessary to offset any amounts that were payable
7 to a different taxing body but were erroneously paid to the
8 municipality, and not including any amounts that are
9 transferred to the STAR Bonds Revenue Fund, less 2% of the
10 remainder, which the Department shall transfer into the Tax
11 Compliance and Administration Fund. The Department, at the time
12 of each monthly disbursement to the municipalities, shall
13 prepare and certify to the State Comptroller the amount to be
14 transferred into the Tax Compliance and Administration Fund
15 under this Section. Within 10 days after receipt by the
16 Comptroller of the disbursement certification to the
17 municipalities and the Tax Compliance and Administration Fund
18 provided for in this Section to be given to the Comptroller by
19 the Department, the Comptroller shall cause the orders to be
20 drawn for the respective amounts in accordance with the
21 directions contained in the certification.

22 For the purpose of determining the local governmental unit
23 whose tax is applicable, a retail sale by a producer of coal or
24 other mineral mined in Illinois is a sale at retail at the
25 place where the coal or other mineral mined in Illinois is
26 extracted from the earth. This paragraph does not apply to coal

1 or other mineral when it is delivered or shipped by the seller
2 to the purchaser at a point outside Illinois so that the sale
3 is exempt under the federal Constitution as a sale in
4 interstate or foreign commerce.

5 Nothing in this Section shall be construed to authorize a
6 municipality to impose a tax upon the privilege of engaging in
7 any business which under the constitution of the United States
8 may not be made the subject of taxation by this State.

9 When certifying the amount of a monthly disbursement to a
10 municipality under this Section, the Department shall increase
11 or decrease the amount by an amount necessary to offset any
12 misallocation of previous disbursements. The offset amount
13 shall be the amount erroneously disbursed within the previous 6
14 months from the time a misallocation is discovered.

15 As used in this Section, "municipal" and "municipality"
16 means a city, village, or incorporated town, including an
17 incorporated town that has superseded a civil township.

18 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
19 100-23, eff. 7-6-17; revised 10-3-17.)

20 (65 ILCS 5/8-11-1.7)

21 Sec. 8-11-1.7. Non-home rule municipal service occupation
22 tax; municipalities between 20,000 and 25,000. The corporate
23 authorities of a non-home rule municipality with a population
24 of more than 20,000 but less than 25,000 as determined by the
25 last preceding decennial census that has, prior to January 1,

1 1987, established a Redevelopment Project Area that has been
2 certified as a State Sales Tax Boundary and has issued bonds or
3 otherwise incurred indebtedness to pay for costs in excess of
4 \$5,000,000, which is secured in part by a tax increment
5 allocation fund, in accordance with the provisions of Division
6 11-74.4 of this Code may, by passage of an ordinance, impose a
7 tax upon all persons engaged in the municipality in the
8 business of making sales of service. If imposed, the tax shall
9 only be imposed in .25% increments of the selling price of all
10 tangible personal property transferred by such servicemen
11 either in the form of tangible personal property or in the form
12 of real estate as an incident to a sale of service. This tax
13 may not be imposed on the sales of tangible personal property
14 taxed at the 1% rate under the Service Occupation Tax Act ~~food~~
15 ~~for human consumption that is to be consumed off the premises~~
16 ~~where it is sold (other than alcoholic beverages, soft drinks,~~
17 ~~and food that has been prepared for immediate consumption) and~~
18 ~~prescription and nonprescription medicines, drugs, medical~~
19 ~~appliances and insulin, urine testing materials, syringes, and~~
20 ~~needles used by diabetics.~~ The tax imposed by a municipality
21 under this Section ~~Sec.~~ and all civil penalties that may be
22 assessed as an incident thereof shall be collected and enforced
23 by the State Department of Revenue. An ordinance imposing a tax
24 hereunder or effecting a change in the rate thereof shall be
25 adopted and a certified copy thereof filed with the Department
26 on or before the first day of October, whereupon the Department

1 shall proceed to administer and enforce this Section as of the
2 first day of January next following such adoption and filing.
3 The certificate of registration that is issued by the
4 Department to a retailer under the Retailers' Occupation Tax
5 Act or under the Service Occupation Tax Act shall permit the
6 registrant to engage in a business that is taxable under any
7 ordinance or resolution enacted under this Section without
8 registering separately with the Department under the ordinance
9 or resolution or under this Section. The Department shall have
10 full power to administer and enforce this Section, to collect
11 all taxes and penalties due hereunder, to dispose of taxes and
12 penalties so collected in a manner hereinafter provided, and to
13 determine all rights to credit memoranda arising on account of
14 the erroneous payment of tax or penalty hereunder. In the
15 administration of and compliance with this Section, the
16 Department and persons who are subject to this Section shall
17 have the same rights, remedies, privileges, immunities,
18 powers, and duties, and be subject to the same conditions,
19 restrictions, limitations, penalties and definitions of terms,
20 and employ the same modes of procedure, as are prescribed in
21 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
22 provisions therein other than the State rate of tax), 4 (except
23 that the reference to the State shall be to the taxing
24 municipality), 5, 7, 8 (except that the jurisdiction to which
25 the tax shall be a debt to the extent indicated in that Section
26 8 shall be the taxing municipality), 9 (except as to the

1 disposition of taxes and penalties collected, and except that
2 the returned merchandise credit for this municipal tax may not
3 be taken against any State tax), 10, 11, 12, (except the
4 reference therein to Section 2b of the Retailers' Occupation
5 Tax Act), 13 (except that any reference to the State shall mean
6 the taxing municipality), the first paragraph of Sections 15,
7 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and
8 Section 3-7 of the Uniform Penalty and Interest Act, as fully
9 as if those provisions were set forth herein.

10 A tax may not be imposed by a municipality under this
11 Section unless the municipality also imposes a tax at the same
12 rate under Section 8-11-1.6 of this Act.

13 Person subject to any tax imposed under the authority
14 granted in this Section may reimburse themselves for their
15 servicemen's tax liability hereunder by separately stating the
16 tax as an additional charge, which charge may be stated in
17 combination, in a single amount, with State tax that servicemen
18 are authorized to collect under the Service Use Tax Act, under
19 such bracket schedules as the Department may prescribe.

20 Whenever the Department determines that a refund should be
21 made under this Section to a claimant instead of issuing credit
22 memorandum, the Department shall notify the State Comptroller,
23 who shall cause the order to be drawn for the amount specified,
24 and to the person named, in such notification from the
25 Department. The refund shall be paid by the State Treasurer out
26 of the Non-Home Rule Municipal Retailers' Occupation Tax Fund.

1 The Department shall forthwith pay over to the State
2 Treasurer, ex officio, as trustee, all taxes and penalties
3 collected hereunder.

4 As soon as possible after the first day of each month,
5 beginning January 1, 2011, upon certification of the Department
6 of Revenue, the Comptroller shall order transferred, and the
7 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
8 local sales tax increment, as defined in the Innovation
9 Development and Economy Act, collected under this Section
10 during the second preceding calendar month for sales within a
11 STAR bond district.

12 After the monthly transfer to the STAR Bonds Revenue Fund,
13 on or before the 25th day of each calendar month, the
14 Department shall prepare and certify to the Comptroller the
15 disbursement of stated sums of money to named municipalities,
16 the municipalities to be those from which suppliers and
17 servicemen have paid taxes or penalties hereunder to the
18 Department during the second preceding calendar month. The
19 amount to be paid to each municipality shall be the amount (not
20 including credit memoranda) collected hereunder during the
21 second preceding calendar month by the Department, and not
22 including an amount equal to the amount of refunds made during
23 the second preceding calendar month by the Department on behalf
24 of such municipality, and not including any amounts that are
25 transferred to the STAR Bonds Revenue Fund, less 2% of the
26 remainder, which the Department shall transfer into the Tax

1 Compliance and Administration Fund. The Department, at the time
2 of each monthly disbursement to the municipalities, shall
3 prepare and certify to the State Comptroller the amount to be
4 transferred into the Tax Compliance and Administration Fund
5 under this Section. Within 10 days after receipt by the
6 Comptroller of the disbursement certification to the
7 municipalities, the Tax Compliance and Administration Fund,
8 and the General Revenue Fund, provided for in this Section to
9 be given to the Comptroller by the Department, the Comptroller
10 shall cause the orders to be drawn for the respective amounts
11 in accordance with the directions contained in the
12 certification.

13 When certifying the amount of a monthly disbursement to a
14 municipality under this Section, the Department shall increase
15 or decrease the amount by an amount necessary to offset any
16 misallocation of previous disbursements. The offset amount
17 shall be the amount erroneously disbursed within the previous 6
18 months from the time a misallocation is discovered.

19 Nothing in this Section shall be construed to authorize a
20 municipality to impose a tax upon the privilege of engaging in
21 any business which under the constitution of the United States
22 may not be made the subject of taxation by this State.

23 (Source: P.A. 100-23, eff. 7-6-17; revised 10-3-17.)

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

25 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax

1 Act. The corporate authorities of a home rule municipality may
2 impose a tax upon all persons engaged, in such municipality, in
3 the business of making sales of service at the same rate of tax
4 imposed pursuant to Section 8-11-1, of the selling price of all
5 tangible personal property transferred by such servicemen
6 either in the form of tangible personal property or in the form
7 of real estate as an incident to a sale of service. If imposed,
8 such tax shall only be imposed in 1/4% increments. On and after
9 September 1, 1991, this additional tax may not be imposed on
10 the sales of tangible personal property taxed at the 1% rate
11 under the Service Occupation Tax Act ~~food for human consumption~~
12 ~~which is to be consumed off the premises where it is sold~~
13 ~~(other than alcoholic beverages, soft drinks and food which has~~
14 ~~been prepared for immediate consumption) and prescription and~~
15 ~~nonprescription medicines, drugs, medical appliances and~~
16 ~~insulin, urine testing materials, syringes and needles used by~~
17 ~~diabetics~~. The tax imposed by a home rule municipality pursuant
18 to this Section and all civil penalties that may be assessed as
19 an incident thereof shall be collected and enforced by the
20 State Department of Revenue. The certificate of registration
21 which is issued by the Department to a retailer under the
22 Retailers' Occupation Tax Act or under the Service Occupation
23 Tax Act shall permit such registrant to engage in a business
24 which is taxable under any ordinance or resolution enacted
25 pursuant to this Section without registering separately with
26 the Department under such ordinance or resolution or under this

1 Section. The Department shall have full power to administer and
2 enforce this Section; to collect all taxes and penalties due
3 hereunder; to dispose of taxes and penalties so collected in
4 the manner hereinafter provided, and to determine all rights to
5 credit memoranda arising on account of the erroneous payment of
6 tax or penalty hereunder. In the administration of, and
7 compliance with, this Section the Department and persons who
8 are subject to this Section shall have the same rights,
9 remedies, privileges, immunities, powers and duties, and be
10 subject to the same conditions, restrictions, limitations,
11 penalties and definitions of terms, and employ the same modes
12 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
13 through 3-50 (in respect to all provisions therein other than
14 the State rate of tax), 4 (except that the reference to the
15 State shall be to the taxing municipality), 5, 7, 8 (except
16 that the jurisdiction to which the tax shall be a debt to the
17 extent indicated in that Section 8 shall be the taxing
18 municipality), 9 (except as to the disposition of taxes and
19 penalties collected, and except that the returned merchandise
20 credit for this municipal tax may not be taken against any
21 State tax), 10, 11, 12 (except the reference therein to Section
22 2b of the Retailers' Occupation Tax Act), 13 (except that any
23 reference to the State shall mean the taxing municipality), the
24 first paragraph of Section 15, 16, 17 (except that credit
25 memoranda issued hereunder may not be used to discharge any
26 State tax liability), 18, 19 and 20 of the Service Occupation

1 Tax Act and Section 3-7 of the Uniform Penalty and Interest
2 Act, as fully as if those provisions were set forth herein.

3 No tax may be imposed by a home rule municipality pursuant
4 to this Section unless such municipality also imposes a tax at
5 the same rate pursuant to Section 8-11-1 of this Act.

6 Persons subject to any tax imposed pursuant to the
7 authority granted in this Section may reimburse themselves for
8 their serviceman's tax liability hereunder by separately
9 stating such tax as an additional charge, which charge may be
10 stated in combination, in a single amount, with State tax which
11 servicemen are authorized to collect under the Service Use Tax
12 Act, pursuant to such bracket schedules as the Department may
13 prescribe.

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

21 The Department shall forthwith pay over to the State
22 Treasurer, ex-officio, as trustee, all taxes and penalties
23 collected hereunder.

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 local sales tax increment, as defined in the Innovation
3 Development and Economy Act, collected under this Section
4 during the second preceding calendar month for sales within a
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to named municipalities,
10 the municipalities to be those from which suppliers and
11 servicemen have paid taxes or penalties hereunder to the
12 Department during the second preceding calendar month. The
13 amount to be paid to each municipality shall be the amount (not
14 including credit memoranda) collected hereunder during the
15 second preceding calendar month by the Department, and not
16 including an amount equal to the amount of refunds made during
17 the second preceding calendar month by the Department on behalf
18 of such municipality, and not including any amounts that are
19 transferred to the STAR Bonds Revenue Fund, less 2% of the
20 remainder, which the Department shall transfer into the Tax
21 Compliance and Administration Fund. The Department, at the time
22 of each monthly disbursement to the municipalities, shall
23 prepare and certify to the State Comptroller the amount to be
24 transferred into the Tax Compliance and Administration Fund
25 under this Section. Within 10 days after receipt, by the
26 Comptroller, of the disbursement certification to the

1 municipalities and the Tax Compliance and Administration Fund
2 provided for in this Section to be given to the Comptroller by
3 the Department, the Comptroller shall cause the orders to be
4 drawn for the respective amounts in accordance with the
5 directions contained in such certification.

6 In addition to the disbursement required by the preceding
7 paragraph and in order to mitigate delays caused by
8 distribution procedures, an allocation shall, if requested, be
9 made within 10 days after January 14, 1991, and in November of
10 1991 and each year thereafter, to each municipality that
11 received more than \$500,000 during the preceding fiscal year,
12 (July 1 through June 30) whether collected by the municipality
13 or disbursed by the Department as required by this Section.
14 Within 10 days after January 14, 1991, participating
15 municipalities shall notify the Department in writing of their
16 intent to participate. In addition, for the initial
17 distribution, participating municipalities shall certify to
18 the Department the amounts collected by the municipality for
19 each month under its home rule occupation and service
20 occupation tax during the period July 1, 1989 through June 30,
21 1990. The allocation within 10 days after January 14, 1991,
22 shall be in an amount equal to the monthly average of these
23 amounts, excluding the 2 months of highest receipts. Monthly
24 average for the period of July 1, 1990 through June 30, 1991
25 will be determined as follows: the amounts collected by the
26 municipality under its home rule occupation and service

1 occupation tax during the period of July 1, 1990 through
2 September 30, 1990, plus amounts collected by the Department
3 and paid to such municipality through June 30, 1991, excluding
4 the 2 months of highest receipts. The monthly average for each
5 subsequent period of July 1 through June 30 shall be an amount
6 equal to the monthly distribution made to each such
7 municipality under the preceding paragraph during this period,
8 excluding the 2 months of highest receipts. The distribution
9 made in November 1991 and each year thereafter under this
10 paragraph and the preceding paragraph shall be reduced by the
11 amount allocated and disbursed under this paragraph in the
12 preceding period of July 1 through June 30. The Department
13 shall prepare and certify to the Comptroller for disbursement
14 the allocations made in accordance with this paragraph.

15 Nothing in this Section shall be construed to authorize a
16 municipality to impose a tax upon the privilege of engaging in
17 any business which under the constitution of the United States
18 may not be made the subject of taxation by this State.

19 An ordinance or resolution imposing or discontinuing a tax
20 hereunder or effecting a change in the rate thereof shall be
21 adopted and a certified copy thereof filed with the Department
22 on or before the first day of June, whereupon the Department
23 shall proceed to administer and enforce this Section as of the
24 first day of September next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder or effecting a change in the

1 rate thereof shall be adopted and a certified copy thereof
2 filed with the Department on or before the first day of July,
3 whereupon the Department shall proceed to administer and
4 enforce this Section as of the first day of October next
5 following such adoption and filing. Beginning January 1, 1993,
6 an ordinance or resolution imposing or discontinuing the tax
7 hereunder or effecting a change in the rate thereof shall be
8 adopted and a certified copy thereof filed with the Department
9 on or before the first day of October, whereupon the Department
10 shall proceed to administer and enforce this Section as of the
11 first day of January next following such adoption and filing.
12 However, a municipality located in a county with a population
13 in excess of 3,000,000 that elected to become a home rule unit
14 at the general primary election in 1994 may adopt an ordinance
15 or resolution imposing the tax under this Section and file a
16 certified copy of the ordinance or resolution with the
17 Department on or before July 1, 1994. The Department shall then
18 proceed to administer and enforce this Section as of October 1,
19 1994. Beginning April 1, 1998, an ordinance or resolution
20 imposing or discontinuing the tax hereunder or effecting a
21 change in the rate thereof shall either (i) be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of April, whereupon the Department shall proceed
24 to administer and enforce this Section as of the first day of
25 July next following the adoption and filing; or (ii) be adopted
26 and a certified copy thereof filed with the Department on or

1 before the first day of October, whereupon the Department shall
2 proceed to administer and enforce this Section as of the first
3 day of January next following the adoption and filing.

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

18 As used in this Section, "municipal" and "municipality"
19 means a city, village or incorporated town, including an
20 incorporated town which has superseded a civil township.

21 This Section shall be known and may be cited as the Home
22 Rule Municipal Service Occupation Tax Act.

23 (Source: P.A. 100-23, eff. 7-6-17.)

24 (65 ILCS 5/11-74.3-6)

25 Sec. 11-74.3-6. Business district revenue and obligations;

1 business district tax allocation fund.

2 (a) If the corporate authorities of a municipality have
3 approved a business district plan, have designated a business
4 district, and have elected to impose a tax by ordinance
5 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
6 each year after the date of the approval of the ordinance but
7 terminating upon the date all business district project costs
8 and all obligations paying or reimbursing business district
9 project costs, if any, have been paid, but in no event later
10 than the dissolution date, all amounts generated by the
11 retailers' occupation tax and service occupation tax shall be
12 collected and the tax shall be enforced by the Department of
13 Revenue in the same manner as all retailers' occupation taxes
14 and service occupation taxes imposed in the municipality
15 imposing the tax and all amounts generated by the hotel
16 operators' occupation tax shall be collected and the tax shall
17 be enforced by the municipality in the same manner as all hotel
18 operators' occupation taxes imposed in the municipality
19 imposing the tax. The corporate authorities of the municipality
20 shall deposit the proceeds of the taxes imposed under
21 subsections (10) and (11) of Section 11-74.3-3 into a special
22 fund of the municipality called the "[Name of] Business
23 District Tax Allocation Fund" for the purpose of paying or
24 reimbursing business district project costs and obligations
25 incurred in the payment of those costs.

26 (b) The corporate authorities of a municipality that has

1 designated a business district under this Law may, by
2 ordinance, impose a Business District Retailers' Occupation
3 Tax upon all persons engaged in the business of selling
4 tangible personal property, other than an item of tangible
5 personal property titled or registered with an agency of this
6 State's government, at retail in the business district at a
7 rate not to exceed 1% of the gross receipts from the sales made
8 in the course of such business, to be imposed only in 0.25%
9 increments. The tax may not be imposed on tangible personal
10 property taxed at the rate of 1% under the Retailers'
11 Occupation Tax Act ~~food for human consumption that is to be~~
12 ~~consumed off the premises where it is sold (other than~~
13 ~~alcoholic beverages, soft drinks, and food that has been~~
14 ~~prepared for immediate consumption), prescription and~~
15 ~~nonprescription medicines, drugs, medical appliances,~~
16 ~~modifications to a motor vehicle for the purpose of rendering~~
17 ~~it usable by a person with a disability, and insulin, urine~~
18 ~~testing materials, syringes, and needles used by diabetics, for~~
19 ~~human use.~~

20 The tax imposed under this subsection and all civil
21 penalties that may be assessed as an incident thereof shall be
22 collected and enforced by the Department of Revenue. The
23 certificate of registration that is issued by the Department to
24 a retailer under the Retailers' Occupation Tax Act shall permit
25 the retailer to engage in a business that is taxable under any
26 ordinance or resolution enacted pursuant to this subsection

1 without registering separately with the Department under such
2 ordinance or resolution or under this subsection. The
3 Department of Revenue shall have full power to administer and
4 enforce this subsection; to collect all taxes and penalties due
5 under this subsection in the manner hereinafter provided; and
6 to determine all rights to credit memoranda arising on account
7 of the erroneous payment of tax or penalty under this
8 subsection. In the administration of, and compliance with, this
9 subsection, the Department and persons who are subject to this
10 subsection shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties, exclusions,
13 exemptions, and definitions of terms and employ the same modes
14 of procedure, as are prescribed in Sections 1, 1a through 1o, 2
15 through 2-65 (in respect to all provisions therein other than
16 the State rate of tax), 2c through 2h, 3 (except as to the
17 disposition of taxes and penalties collected), 4, 5, 5a, 5c,
18 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,
19 12, 13, and 14 of the Retailers' Occupation Tax Act and all
20 provisions of the Uniform Penalty and Interest Act, as fully as
21 if those provisions were set forth herein.

22 Persons subject to any tax imposed under this subsection
23 may reimburse themselves for their seller's tax liability under
24 this subsection by separately stating the tax as an additional
25 charge, which charge may be stated in combination, in a single
26 amount, with State taxes that sellers are required to collect

1 under the Use Tax Act, in accordance with such bracket
2 schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this subsection to a claimant instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the business district retailers' occupation
10 tax fund.

11 The Department shall immediately pay over to the State
12 Treasurer, ex officio, as trustee, all taxes, penalties, and
13 interest collected under this subsection for deposit into the
14 business district retailers' occupation tax fund.

15 As soon as possible after the first day of each month,
16 beginning January 1, 2011, upon certification of the Department
17 of Revenue, the Comptroller shall order transferred, and the
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
19 local sales tax increment, as defined in the Innovation
20 Development and Economy Act, collected under this subsection
21 during the second preceding calendar month for sales within a
22 STAR bond district.

23 After the monthly transfer to the STAR Bonds Revenue Fund,
24 on or before the 25th day of each calendar month, the
25 Department shall prepare and certify to the Comptroller the
26 disbursement of stated sums of money to named municipalities

1 from the business district retailers' occupation tax fund, the
2 municipalities to be those from which retailers have paid taxes
3 or penalties under this subsection to the Department during the
4 second preceding calendar month. The amount to be paid to each
5 municipality shall be the amount (not including credit
6 memoranda) collected under this subsection during the second
7 preceding calendar month by the Department plus an amount the
8 Department determines is necessary to offset any amounts that
9 were erroneously paid to a different taxing body, and not
10 including an amount equal to the amount of refunds made during
11 the second preceding calendar month by the Department, less 2%
12 of that amount, which shall be deposited into the Tax
13 Compliance and Administration Fund and shall be used by the
14 Department, subject to appropriation, to cover the costs of the
15 Department in administering and enforcing the provisions of
16 this subsection, on behalf of such municipality, and not
17 including any amount that the Department determines is
18 necessary to offset any amounts that were payable to a
19 different taxing body but were erroneously paid to the
20 municipality, and not including any amounts that are
21 transferred to the STAR Bonds Revenue Fund. Within 10 days
22 after receipt by the Comptroller of the disbursement
23 certification to the municipalities provided for in this
24 subsection to be given to the Comptroller by the Department,
25 the Comptroller shall cause the orders to be drawn for the
26 respective amounts in accordance with the directions contained

1 in the certification. The proceeds of the tax paid to
2 municipalities under this subsection shall be deposited into
3 the Business District Tax Allocation Fund by the municipality.

4 An ordinance imposing or discontinuing the tax under this
5 subsection or effecting a change in the rate thereof shall
6 either (i) be adopted and a certified copy thereof filed with
7 the Department on or before the first day of April, whereupon
8 the Department, if all other requirements of this subsection
9 are met, shall proceed to administer and enforce this
10 subsection as of the first day of July next following the
11 adoption and filing; or (ii) be adopted and a certified copy
12 thereof filed with the Department on or before the first day of
13 October, whereupon, if all other requirements of this
14 subsection are met, the Department shall proceed to administer
15 and enforce this subsection as of the first day of January next
16 following the adoption and filing.

17 The Department of Revenue shall not administer or enforce
18 an ordinance imposing, discontinuing, or changing the rate of
19 the tax under this subsection, until the municipality also
20 provides, in the manner prescribed by the Department, the
21 boundaries of the business district and each address in the
22 business district in such a way that the Department can
23 determine by its address whether a business is located in the
24 business district. The municipality must provide this boundary
25 and address information to the Department on or before April 1
26 for administration and enforcement of the tax under this

1 subsection by the Department beginning on the following July 1
2 and on or before October 1 for administration and enforcement
3 of the tax under this subsection by the Department beginning on
4 the following January 1. The Department of Revenue shall not
5 administer or enforce any change made to the boundaries of a
6 business district or address change, addition, or deletion
7 until the municipality reports the boundary change or address
8 change, addition, or deletion to the Department in the manner
9 prescribed by the Department. The municipality must provide
10 this boundary change information or address change, addition,
11 or deletion to the Department on or before April 1 for
12 administration and enforcement by the Department of the change
13 beginning on the following July 1 and on or before October 1
14 for administration and enforcement by the Department of the
15 change beginning on the following January 1. The retailers in
16 the business district shall be responsible for charging the tax
17 imposed under this subsection. If a retailer is incorrectly
18 included or excluded from the list of those required to collect
19 the tax under this subsection, both the Department of Revenue
20 and the retailer shall be held harmless if they reasonably
21 relied on information provided by the municipality.

22 A municipality that imposes the tax under this subsection
23 must submit to the Department of Revenue any other information
24 as the Department may require for the administration and
25 enforcement of the tax.

26 When certifying the amount of a monthly disbursement to a

1 municipality under this subsection, the Department shall
2 increase or decrease the amount by an amount necessary to
3 offset any misallocation of previous disbursements. The offset
4 amount shall be the amount erroneously disbursed within the
5 previous 6 months from the time a misallocation is discovered.

6 Nothing in this subsection shall be construed to authorize
7 the municipality to impose a tax upon the privilege of engaging
8 in any business which under the Constitution of the United
9 States may not be made the subject of taxation by this State.

10 If a tax is imposed under this subsection (b), a tax shall
11 also be imposed under subsection (c) of this Section.

12 (c) If a tax has been imposed under subsection (b), a
13 Business District Service Occupation Tax shall also be imposed
14 upon all persons engaged, in the business district, in the
15 business of making sales of service, who, as an incident to
16 making those sales of service, transfer tangible personal
17 property within the business district, either in the form of
18 tangible personal property or in the form of real estate as an
19 incident to a sale of service. The tax shall be imposed at the
20 same rate as the tax imposed in subsection (b) and shall not
21 exceed 1% of the selling price of tangible personal property so
22 transferred within the business district, to be imposed only in
23 0.25% increments. The tax may not be imposed on tangible
24 personal property taxed at the 1% rate under the Service
25 Occupation Tax Act ~~food for human consumption that is to be~~
26 ~~consumed off the premises where it is sold (other than~~

1 ~~alcoholic beverages, soft drinks, and food that has been~~
2 ~~prepared for immediate consumption), prescription and~~
3 ~~nonprescription medicines, drugs, medical appliances,~~
4 ~~modifications to a motor vehicle for the purpose of rendering~~
5 ~~it usable by a person with a disability, and insulin, urine~~
6 ~~testing materials, syringes, and needles used by diabetics, for~~
7 ~~human use.~~

8 The tax imposed under this subsection and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the Department of Revenue. The
11 certificate of registration which is issued by the Department
12 to a retailer under the Retailers' Occupation Tax Act or under
13 the Service Occupation Tax Act shall permit such registrant to
14 engage in a business which is taxable under any ordinance or
15 resolution enacted pursuant to this subsection without
16 registering separately with the Department under such
17 ordinance or resolution or under this subsection. The
18 Department of Revenue shall have full power to administer and
19 enforce this subsection; to collect all taxes and penalties due
20 under this subsection; to dispose of taxes and penalties so
21 collected in the manner hereinafter provided; and to determine
22 all rights to credit memoranda arising on account of the
23 erroneous payment of tax or penalty under this subsection. In
24 the administration of, and compliance with this subsection, the
25 Department and persons who are subject to this subsection shall
26 have the same rights, remedies, privileges, immunities, powers

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

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

1 Whenever the Department determines that a refund should be
2 made under this subsection to a claimant instead of issuing
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified, and to the person named, in such notification
6 from the Department. Such refund shall be paid by the State
7 Treasurer out of the business district retailers' occupation
8 tax fund.

9 The Department shall forthwith pay over to the State
10 Treasurer, ex-officio, as trustee, all taxes, penalties, and
11 interest collected under this subsection for deposit into the
12 business district retailers' occupation tax fund.

13 As soon as possible after the first day of each month,
14 beginning January 1, 2011, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Innovation
18 Development and Economy Act, collected under this subsection
19 during the second preceding calendar month for sales within a
20 STAR bond district.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money to named municipalities
25 from the business district retailers' occupation tax fund, the
26 municipalities to be those from which suppliers and servicemen

1 have paid taxes or penalties under this subsection to the
2 Department during the second preceding calendar month. The
3 amount to be paid to each municipality shall be the amount (not
4 including credit memoranda) collected under this subsection
5 during the second preceding calendar month by the Department,
6 less 2% of that amount, which shall be deposited into the Tax
7 Compliance and Administration Fund and shall be used by the
8 Department, subject to appropriation, to cover the costs of the
9 Department in administering and enforcing the provisions of
10 this subsection, and not including an amount equal to the
11 amount of refunds made during the second preceding calendar
12 month by the Department on behalf of such municipality, and not
13 including any amounts that are transferred to the STAR Bonds
14 Revenue Fund. Within 10 days after receipt, by the Comptroller,
15 of the disbursement certification to the municipalities,
16 provided for in this subsection to be given to the Comptroller
17 by the Department, the Comptroller shall cause the orders to be
18 drawn for the respective amounts in accordance with the
19 directions contained in such certification. The proceeds of the
20 tax paid to municipalities under this subsection shall be
21 deposited into the Business District Tax Allocation Fund by the
22 municipality.

23 An ordinance imposing or discontinuing the tax under this
24 subsection or effecting a change in the rate thereof shall
25 either (i) be adopted and a certified copy thereof filed with
26 the Department on or before the first day of April, whereupon

1 the Department, if all other requirements of this subsection
2 are met, shall proceed to administer and enforce this
3 subsection as of the first day of July next following the
4 adoption and filing; or (ii) be adopted and a certified copy
5 thereof filed with the Department on or before the first day of
6 October, whereupon, if all other conditions of this subsection
7 are met, the Department shall proceed to administer and enforce
8 this subsection as of the first day of January next following
9 the adoption and filing.

10 The Department of Revenue shall not administer or enforce
11 an ordinance imposing, discontinuing, or changing the rate of
12 the tax under this subsection, until the municipality also
13 provides, in the manner prescribed by the Department, the
14 boundaries of the business district in such a way that the
15 Department can determine by its address whether a business is
16 located in the business district. The municipality must provide
17 this boundary and address information to the Department on or
18 before April 1 for administration and enforcement of the tax
19 under this subsection by the Department beginning on the
20 following July 1 and on or before October 1 for administration
21 and enforcement of the tax under this subsection by the
22 Department beginning on the following January 1. The Department
23 of Revenue shall not administer or enforce any change made to
24 the boundaries of a business district or address change,
25 addition, or deletion until the municipality reports the
26 boundary change or address change, addition, or deletion to the

1 Department in the manner prescribed by the Department. The
2 municipality must provide this boundary change information or
3 address change, addition, or deletion to the Department on or
4 before April 1 for administration and enforcement by the
5 Department of the change beginning on the following July 1 and
6 on or before October 1 for administration and enforcement by
7 the Department of the change beginning on the following January
8 1. The retailers in the business district shall be responsible
9 for charging the tax imposed under this subsection. If a
10 retailer is incorrectly included or excluded from the list of
11 those required to collect the tax under this subsection, both
12 the Department of Revenue and the retailer shall be held
13 harmless if they reasonably relied on information provided by
14 the municipality.

15 A municipality that imposes the tax under this subsection
16 must submit to the Department of Revenue any other information
17 as the Department may require for the administration and
18 enforcement of the tax.

19 Nothing in this subsection shall be construed to authorize
20 the municipality to impose a tax upon the privilege of engaging
21 in any business which under the Constitution of the United
22 States may not be made the subject of taxation by the State.

23 If a tax is imposed under this subsection (c), a tax shall
24 also be imposed under subsection (b) of this Section.

25 (d) By ordinance, a municipality that has designated a
26 business district under this Law may impose an occupation tax

1 upon all persons engaged in the business district in the
2 business of renting, leasing, or letting rooms in a hotel, as
3 defined in the Hotel Operators' Occupation Tax Act, at a rate
4 not to exceed 1% of the gross rental receipts from the renting,
5 leasing, or letting of hotel rooms within the business
6 district, to be imposed only in 0.25% increments, excluding,
7 however, from gross rental receipts the proceeds of renting,
8 leasing, or letting to permanent residents of a hotel, as
9 defined in the Hotel Operators' Occupation Tax Act, and
10 proceeds from the tax imposed under subsection (c) of Section
11 13 of the Metropolitan Pier and Exposition Authority Act.

12 The tax imposed by the municipality under this subsection
13 and all civil penalties that may be assessed as an incident to
14 that tax shall be collected and enforced by the municipality
15 imposing the tax. The municipality shall have full power to
16 administer and enforce this subsection, to collect all taxes
17 and penalties due under this subsection, to dispose of taxes
18 and penalties so collected in the manner provided in this
19 subsection, and to determine all rights to credit memoranda
20 arising on account of the erroneous payment of tax or penalty
21 under this subsection. In the administration of and compliance
22 with this subsection, the municipality and persons who are
23 subject to this subsection shall have the same rights,
24 remedies, privileges, immunities, powers, and duties, shall be
25 subject to the same conditions, restrictions, limitations,
26 penalties, and definitions of terms, and shall employ the same

1 modes of procedure as are employed with respect to a tax
2 adopted by the municipality under Section 8-3-14 of this Code.

3 Persons subject to any tax imposed under the authority
4 granted in this subsection may reimburse themselves for their
5 tax liability for that tax by separately stating that tax as an
6 additional charge, which charge may be stated in combination,
7 in a single amount, with State taxes imposed under the Hotel
8 Operators' Occupation Tax Act, and with any other tax.

9 Nothing in this subsection shall be construed to authorize
10 a municipality to impose a tax upon the privilege of engaging
11 in any business which under the Constitution of the United
12 States may not be made the subject of taxation by this State.

13 The proceeds of the tax imposed under this subsection shall
14 be deposited into the Business District Tax Allocation Fund.

15 (e) Obligations secured by the Business District Tax
16 Allocation Fund may be issued to provide for the payment or
17 reimbursement of business district project costs. Those
18 obligations, when so issued, shall be retired in the manner
19 provided in the ordinance authorizing the issuance of those
20 obligations by the receipts of taxes imposed pursuant to
21 subsections (10) and (11) of Section 11-74.3-3 and by other
22 revenue designated or pledged by the municipality. A
23 municipality may in the ordinance pledge, for any period of
24 time up to and including the dissolution date, all or any part
25 of the funds in and to be deposited in the Business District
26 Tax Allocation Fund to the payment of business district project

1 costs and obligations. Whenever a municipality pledges all of
2 the funds to the credit of a business district tax allocation
3 fund to secure obligations issued or to be issued to pay or
4 reimburse business district project costs, the municipality
5 may specifically provide that funds remaining to the credit of
6 such business district tax allocation fund after the payment of
7 such obligations shall be accounted for annually and shall be
8 deemed to be "surplus" funds, and such "surplus" funds shall be
9 expended by the municipality for any business district project
10 cost as approved in the business district plan. Whenever a
11 municipality pledges less than all of the monies to the credit
12 of a business district tax allocation fund to secure
13 obligations issued or to be issued to pay or reimburse business
14 district project costs, the municipality shall provide that
15 monies to the credit of the business district tax allocation
16 fund and not subject to such pledge or otherwise encumbered or
17 required for payment of contractual obligations for specific
18 business district project costs shall be calculated annually
19 and shall be deemed to be "surplus" funds, and such "surplus"
20 funds shall be expended by the municipality for any business
21 district project cost as approved in the business district
22 plan.

23 No obligation issued pursuant to this Law and secured by a
24 pledge of all or any portion of any revenues received or to be
25 received by the municipality from the imposition of taxes
26 pursuant to subsection (10) of Section 11-74.3-3, shall be

1 deemed to constitute an economic incentive agreement under
2 Section 8-11-20, notwithstanding the fact that such pledge
3 provides for the sharing, rebate, or payment of retailers'
4 occupation taxes or service occupation taxes imposed pursuant
5 to subsection (10) of Section 11-74.3-3 and received or to be
6 received by the municipality from the development or
7 redevelopment of properties in the business district.

8 Without limiting the foregoing in this Section, the
9 municipality may further secure obligations secured by the
10 business district tax allocation fund with a pledge, for a
11 period not greater than the term of the obligations and in any
12 case not longer than the dissolution date, of any part or any
13 combination of the following: (i) net revenues of all or part
14 of any business district project; (ii) taxes levied or imposed
15 by the municipality on any or all property in the municipality,
16 including, specifically, taxes levied or imposed by the
17 municipality in a special service area pursuant to the Special
18 Service Area Tax Law; (iii) the full faith and credit of the
19 municipality; (iv) a mortgage on part or all of the business
20 district project; or (v) any other taxes or anticipated
21 receipts that the municipality may lawfully pledge.

22 Such obligations may be issued in one or more series, bear
23 such date or dates, become due at such time or times as therein
24 provided, but in any case not later than (i) 20 years after the
25 date of issue or (ii) the dissolution date, whichever is
26 earlier, bear interest payable at such intervals and at such

1 rate or rates as set forth therein, except as may be limited by
2 applicable law, which rate or rates may be fixed or variable,
3 be in such denominations, be in such form, either coupon,
4 registered, or book-entry, carry such conversion, registration
5 and exchange privileges, be subject to defeasance upon such
6 terms, have such rank or priority, be executed in such manner,
7 be payable in such medium or payment at such place or places
8 within or without the State, make provision for a corporate
9 trustee within or without the State with respect to such
10 obligations, prescribe the rights, powers, and duties thereof
11 to be exercised for the benefit of the municipality and the
12 benefit of the owners of such obligations, provide for the
13 holding in trust, investment, and use of moneys, funds, and
14 accounts held under an ordinance, provide for assignment of and
15 direct payment of the moneys to pay such obligations or to be
16 deposited into such funds or accounts directly to such trustee,
17 be subject to such terms of redemption with or without premium,
18 and be sold at such price, all as the corporate authorities
19 shall determine. No referendum approval of the electors shall
20 be required as a condition to the issuance of obligations
21 pursuant to this Law except as provided in this Section.

22 In the event the municipality authorizes the issuance of
23 obligations pursuant to the authority of this Law secured by
24 the full faith and credit of the municipality, or pledges ad
25 valorem taxes pursuant to this subsection, which obligations
26 are other than obligations which may be issued under home rule

1 powers provided by Section 6 of Article VII of the Illinois
2 Constitution or which ad valorem taxes are other than ad
3 valorem taxes which may be pledged under home rule powers
4 provided by Section 6 of Article VII of the Illinois
5 Constitution or which are levied in a special service area
6 pursuant to the Special Service Area Tax Law, the ordinance
7 authorizing the issuance of those obligations or pledging those
8 taxes shall be published within 10 days after the ordinance has
9 been adopted, in a newspaper having a general circulation
10 within the municipality. The publication of the ordinance shall
11 be accompanied by a notice of (i) the specific number of voters
12 required to sign a petition requesting the question of the
13 issuance of the obligations or pledging such ad valorem taxes
14 to be submitted to the electors; (ii) the time within which the
15 petition must be filed; and (iii) the date of the prospective
16 referendum. The municipal clerk shall provide a petition form
17 to any individual requesting one.

18 If no petition is filed with the municipal clerk, as
19 hereinafter provided in this Section, within 21 days after the
20 publication of the ordinance, the ordinance shall be in effect.
21 However, if within that 21-day period a petition is filed with
22 the municipal clerk, signed by electors numbering not less than
23 15% of the number of electors voting for the mayor or president
24 at the last general municipal election, asking that the
25 question of issuing obligations using full faith and credit of
26 the municipality as security for the cost of paying or

1 reimbursing business district project costs, or of pledging
2 such ad valorem taxes for the payment of those obligations, or
3 both, be submitted to the electors of the municipality, the
4 municipality shall not be authorized to issue obligations of
5 the municipality using the full faith and credit of the
6 municipality as security or pledging such ad valorem taxes for
7 the payment of those obligations, or both, until the
8 proposition has been submitted to and approved by a majority of
9 the voters voting on the proposition at a regularly scheduled
10 election. The municipality shall certify the proposition to the
11 proper election authorities for submission in accordance with
12 the general election law.

13 The ordinance authorizing the obligations may provide that
14 the obligations shall contain a recital that they are issued
15 pursuant to this Law, which recital shall be conclusive
16 evidence of their validity and of the regularity of their
17 issuance.

18 In the event the municipality authorizes issuance of
19 obligations pursuant to this Law secured by the full faith and
20 credit of the municipality, the ordinance authorizing the
21 obligations may provide for the levy and collection of a direct
22 annual tax upon all taxable property within the municipality
23 sufficient to pay the principal thereof and interest thereon as
24 it matures, which levy may be in addition to and exclusive of
25 the maximum of all other taxes authorized to be levied by the
26 municipality, which levy, however, shall be abated to the

1 extent that monies from other sources are available for payment
2 of the obligations and the municipality certifies the amount of
3 those monies available to the county clerk.

4 A certified copy of the ordinance shall be filed with the
5 county clerk of each county in which any portion of the
6 municipality is situated, and shall constitute the authority
7 for the extension and collection of the taxes to be deposited
8 in the business district tax allocation fund.

9 A municipality may also issue its obligations to refund, in
10 whole or in part, obligations theretofore issued by the
11 municipality under the authority of this Law, whether at or
12 prior to maturity. However, the last maturity of the refunding
13 obligations shall not be expressed to mature later than the
14 dissolution date.

15 In the event a municipality issues obligations under home
16 rule powers or other legislative authority, the proceeds of
17 which are pledged to pay or reimburse business district project
18 costs, the municipality may, if it has followed the procedures
19 in conformance with this Law, retire those obligations from
20 funds in the business district tax allocation fund in amounts
21 and in such manner as if those obligations had been issued
22 pursuant to the provisions of this Law.

23 No obligations issued pursuant to this Law shall be
24 regarded as indebtedness of the municipality issuing those
25 obligations or any other taxing district for the purpose of any
26 limitation imposed by law.

1 Obligations issued pursuant to this Law shall not be
2 subject to the provisions of the Bond Authorization Act.

3 (f) When business district project costs, including,
4 without limitation, all obligations paying or reimbursing
5 business district project costs have been paid, any surplus
6 funds then remaining in the Business District Tax Allocation
7 Fund shall be distributed to the municipal treasurer for
8 deposit into the general corporate fund of the municipality.
9 Upon payment of all business district project costs and
10 retirement of all obligations paying or reimbursing business
11 district project costs, but in no event more than 23 years
12 after the date of adoption of the ordinance imposing taxes
13 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
14 municipality shall adopt an ordinance immediately rescinding
15 the taxes imposed pursuant to subsection (10) or (11) of
16 Section 11-74.3-3.

17 (Source: P.A. 99-143, eff. 7-27-15.)

18 Section 115. The Flood Prevention District Act is amended
19 by changing Section 25 as follows:

20 (70 ILCS 750/25)

21 Sec. 25. Flood prevention retailers' and service
22 occupation taxes.

23 (a) If the Board of Commissioners of a flood prevention
24 district determines that an emergency situation exists

1 regarding levee repair or flood prevention, and upon an
2 ordinance confirming the determination adopted by the
3 affirmative vote of a majority of the members of the county
4 board of the county in which the district is situated, the
5 county may impose a flood prevention retailers' occupation tax
6 upon all persons engaged in the business of selling tangible
7 personal property at retail within the territory of the
8 district to provide revenue to pay the costs of providing
9 emergency levee repair and flood prevention and to secure the
10 payment of bonds, notes, and other evidences of indebtedness
11 issued under this Act for a period not to exceed 25 years or as
12 required to repay the bonds, notes, and other evidences of
13 indebtedness issued under this Act. The tax rate shall be 0.25%
14 of the gross receipts from all taxable sales made in the course
15 of that business. The tax imposed under this Section and all
16 civil penalties that may be assessed as an incident thereof
17 shall be collected and enforced by the State Department of
18 Revenue. The Department shall have full power to administer and
19 enforce this Section; to collect all taxes and penalties so
20 collected in the manner hereinafter provided; and to determine
21 all rights to credit memoranda arising on account of the
22 erroneous payment of tax or penalty hereunder.

23 In the administration of and compliance with this
24 subsection, the Department and persons who are subject to this
25 subsection (i) have the same rights, remedies, privileges,
26 immunities, powers, and duties, (ii) are subject to the same

1 conditions, restrictions, limitations, penalties, and
2 definitions of terms, and (iii) shall employ the same modes of
3 procedure as are set forth in Sections 1 through 10, 2 through
4 2-70 (in respect to all provisions contained in those Sections
5 other than the State rate of tax), 2a through 2h, 3 (except as
6 to the disposition of taxes and penalties collected), 4, 5, 5a,
7 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
8 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
9 and all provisions of the Uniform Penalty and Interest Act as
10 if those provisions were set forth in this subsection.

11 Persons subject to any tax imposed under this Section may
12 reimburse themselves for their seller's tax liability
13 hereunder by separately stating the tax as an additional
14 charge, which charge may be stated in combination in a single
15 amount with State taxes that sellers are required to collect
16 under the Use Tax Act, under any bracket schedules the
17 Department may prescribe.

18 If a tax is imposed under this subsection (a), a tax shall
19 also be imposed under subsection (b) of this Section.

20 (b) If a tax has been imposed under subsection (a), a flood
21 prevention service occupation tax shall also be imposed upon
22 all persons engaged within the territory of the district in the
23 business of making sales of service, who, as an incident to
24 making the sales of service, transfer tangible personal
25 property, either in the form of tangible personal property or
26 in the form of real estate as an incident to a sale of service

1 to provide revenue to pay the costs of providing emergency
2 levee repair and flood prevention and to secure the payment of
3 bonds, notes, and other evidences of indebtedness issued under
4 this Act for a period not to exceed 25 years or as required to
5 repay the bonds, notes, and other evidences of indebtedness.
6 The tax rate shall be 0.25% of the selling price of all
7 tangible personal property transferred.

8 The tax imposed under this subsection and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. The
11 Department shall have full power to administer and enforce this
12 subsection; to collect all taxes and penalties due hereunder;
13 to dispose of taxes and penalties collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax or
16 penalty hereunder.

17 In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 subsection shall (i) have the same rights, remedies,
20 privileges, immunities, powers, and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties, and
22 definitions of terms, and (iii) employ the same modes of
23 procedure as are set forth in Sections 2 (except that the
24 reference to State in the definition of supplier maintaining a
25 place of business in this State means the district), 2a through
26 2d, 3 through 3-50 (in respect to all provisions contained in

1 those Sections other than the State rate of tax), 4 (except
2 that the reference to the State shall be to the district), 5,
3 7, 8 (except that the jurisdiction to which the tax is a debt
4 to the extent indicated in that Section 8 is the district), 9
5 (except as to the disposition of taxes and penalties
6 collected), 10, 11, 12 (except the reference therein to Section
7 2b of the Retailers' Occupation Tax Act), 13 (except that any
8 reference to the State means the district), Section 15, 16, 17,
9 18, 19, and 20 of the Service Occupation Tax Act and all
10 provisions of the Uniform Penalty and Interest Act, as fully as
11 if those provisions were set forth herein.

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

19 (c) The taxes imposed in subsections (a) and (b) may not be
20 imposed on personal property titled or registered with an
21 agency of the State or on personal property taxed at the 1%
22 rate under the Retailers' Occupation Tax Act and the Service
23 Occupation Tax Act ; ~~food for human consumption that is to be~~
24 ~~consumed off the premises where it is sold (other than~~
25 ~~alcoholic beverages, soft drinks, and food that has been~~
26 ~~prepared for immediate consumption); prescription and~~

1 ~~non-prescription medicines, drugs, and medical appliances;~~
2 ~~modifications to a motor vehicle for the purpose of rendering~~
3 ~~it usable by a person with a disability; or insulin, urine~~
4 ~~testing materials, and syringes and needles used by diabetics.~~

5 (d) Nothing in this Section shall be construed to authorize
6 the district to impose a tax upon the privilege of engaging in
7 any business that under the Constitution of the United States
8 may not be made the subject of taxation by the State.

9 (e) The certificate of registration that is issued by the
10 Department to a retailer under the Retailers' Occupation Tax
11 Act or a serviceman under the Service Occupation Tax Act
12 permits the retailer or serviceman to engage in a business that
13 is taxable without registering separately with the Department
14 under an ordinance or resolution under this Section.

15 (f) The Department shall immediately pay over to the State
16 Treasurer, ex officio, as trustee, all taxes and penalties
17 collected under this Section to be deposited into the Flood
18 Prevention Occupation Tax Fund, which shall be an
19 unappropriated trust fund held outside the State treasury.

20 On or before the 25th day of each calendar month, the
21 Department shall prepare and certify to the Comptroller the
22 disbursement of stated sums of money to the counties from which
23 retailers or servicemen have paid taxes or penalties to the
24 Department during the second preceding calendar month. The
25 amount to be paid to each county is equal to the amount (not
26 including credit memoranda) collected from the county under

1 this Section during the second preceding calendar month by the
2 Department, (i) less 2% of that amount, which shall be
3 deposited into the Tax Compliance and Administration Fund and
4 shall be used by the Department in administering and enforcing
5 the provisions of this Section on behalf of the county, (ii)
6 plus an amount that the Department determines is necessary to
7 offset any amounts that were erroneously paid to a different
8 taxing body; (iii) less an amount equal to the amount of
9 refunds made during the second preceding calendar month by the
10 Department on behalf of the county; and (iv) less any amount
11 that the Department determines is necessary to offset any
12 amounts that were payable to a different taxing body but were
13 erroneously paid to the county. When certifying the amount of a
14 monthly disbursement to a county under this Section, the
15 Department shall increase or decrease the amounts by an amount
16 necessary to offset any miscalculation of previous
17 disbursements within the previous 6 months from the time a
18 miscalculation is discovered.

19 Within 10 days after receipt by the Comptroller from the
20 Department of the disbursement certification to the counties
21 provided for in this Section, the Comptroller shall cause the
22 orders to be drawn for the respective amounts in accordance
23 with directions contained in the certification.

24 If the Department determines that a refund should be made
25 under this Section to a claimant instead of issuing a credit
26 memorandum, then the Department shall notify the Comptroller,

1 who shall cause the order to be drawn for the amount specified
2 and to the person named in the notification from the
3 Department. The refund shall be paid by the Treasurer out of
4 the Flood Prevention Occupation Tax Fund.

5 (g) If a county imposes a tax under this Section, then the
6 county board shall, by ordinance, discontinue the tax upon the
7 payment of all indebtedness of the flood prevention district.
8 The tax shall not be discontinued until all indebtedness of the
9 District has been paid.

10 (h) Any ordinance imposing the tax under this Section, or
11 any ordinance that discontinues the tax, must be certified by
12 the county clerk and filed with the Illinois Department of
13 Revenue either (i) on or before the first day of April,
14 whereupon the Department shall proceed to administer and
15 enforce the tax or change in the rate as of the first day of
16 July next following the filing; or (ii) on or before the first
17 day of October, whereupon the Department shall proceed to
18 administer and enforce the tax or change in the rate as of the
19 first day of January next following the filing.

20 (j) County Flood Prevention Occupation Tax Fund. All
21 proceeds received by a county from a tax distribution under
22 this Section must be maintained in a special fund known as the
23 [name of county] flood prevention occupation tax fund. The
24 county shall, at the direction of the flood prevention
25 district, use moneys in the fund to pay the costs of providing
26 emergency levee repair and flood prevention and to pay bonds,

1 notes, and other evidences of indebtedness issued under this
2 Act.

3 (k) This Section may be cited as the Flood Prevention
4 Occupation Tax Law.

5 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;
6 99-642, eff. 7-28-16.)

7 Section 120. The Metro-East Park and Recreation District
8 Act is amended by changing Section 30 as follows:

9 (70 ILCS 1605/30)

10 Sec. 30. Taxes.

11 (a) The board shall impose a tax upon all persons engaged
12 in the business of selling tangible personal property, other
13 than personal property titled or registered with an agency of
14 this State's government, at retail in the District on the gross
15 receipts from the sales made in the course of business. This
16 tax shall be imposed only at the rate of one-tenth of one per
17 cent.

18 This additional tax may not be imposed on the sales of
19 tangible personal property taxed at the 1% rate under the
20 Retailers' Occupation Tax Act ~~food for human consumption that~~
21 ~~is to be consumed off the premises where it is sold (other than~~
22 ~~alcoholic beverages, soft drinks, and food which has been~~
23 ~~prepared for immediate consumption) and prescription and~~
24 ~~non prescription medicines, drugs, medical appliances, and~~

1 ~~insulin, urine testing materials, syringes, and needles used by~~
2 ~~diabetics~~. The tax imposed by the Board under this Section and
3 all civil penalties that may be assessed as an incident of the
4 tax shall be collected and enforced by the Department of
5 Revenue. The certificate of registration that is issued by the
6 Department to a retailer under the Retailers' Occupation Tax
7 Act shall permit the retailer to engage in a business that is
8 taxable without registering separately with the Department
9 under an ordinance or resolution under this Section. The
10 Department has full power to administer and enforce this
11 Section, to collect all taxes and penalties due under this
12 Section, to dispose of taxes and penalties so collected in the
13 manner provided in this Section, and to determine all rights to
14 credit memoranda arising on account of the erroneous payment of
15 a tax or penalty under this Section. In the administration of
16 and compliance with this Section, the Department and persons
17 who are subject to this Section shall (i) have the same rights,
18 remedies, privileges, immunities, powers, and duties, (ii) be
19 subject to the same conditions, restrictions, limitations,
20 penalties, and definitions of terms, and (iii) employ the same
21 modes of procedure as are prescribed in Sections 1, 1a, 1a-1,
22 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect
23 to all provisions contained in those Sections other than the
24 State rate of tax), 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3
25 (except provisions relating to transaction returns and quarter
26 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,

1 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
2 of the Retailers' Occupation Tax Act and the Uniform Penalty
3 and Interest Act as if those provisions were set forth in this
4 Section.

5 Persons subject to any tax imposed under the authority
6 granted in this Section may reimburse themselves for their
7 sellers' tax liability by separately stating the tax as an
8 additional charge, which charge may be stated in combination,
9 in a single amount, with State tax which sellers are required
10 to collect under the Use Tax Act, pursuant to such bracketed
11 schedules as the Department may prescribe.

12 Whenever the Department determines that a refund should be
13 made under this Section to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the order to be drawn for the
16 amount specified and to the person named in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the State Metro-East Park and Recreation
19 District Fund.

20 (b) If a tax has been imposed under subsection (a), a
21 service occupation tax shall also be imposed at the same rate
22 upon all persons engaged, in the District, in the business of
23 making sales of service, who, as an incident to making those
24 sales of service, transfer tangible personal property within
25 the District as an incident to a sale of service. This tax may
26 not be imposed on tangible personal property taxed at the 1%

1 rate under the Service Occupation Tax Act ~~sales of food for~~
2 ~~human consumption that is to be consumed off the premises where~~
3 ~~it is sold (other than alcoholic beverages, soft drinks, and~~
4 ~~food prepared for immediate consumption) and prescription and~~
5 ~~non prescription medicines, drugs, medical appliances, and~~
6 ~~insulin, urine testing materials, syringes, and needles used by~~
7 ~~diabetics.~~ The tax imposed under this subsection and all civil
8 penalties that may be assessed as an incident thereof shall be
9 collected and enforced by the Department of Revenue. The
10 Department has full power to administer and enforce this
11 subsection; 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 or
15 penalty hereunder. In the administration of, and compliance
16 with this subsection, the Department and persons who are
17 subject to this paragraph shall (i) have the same rights,
18 remedies, privileges, immunities, powers, and duties, (ii) be
19 subject to the same conditions, restrictions, limitations,
20 penalties, exclusions, exemptions, and definitions of terms,
21 and (iii) employ the same modes of procedure as are prescribed
22 in Sections 2 (except that the reference to State in the
23 definition of supplier maintaining a place of business in this
24 State shall mean the District), 2a, 2b, 2c, 3 through 3-50 (in
25 respect to all provisions therein other than the State rate of
26 tax), 4 (except that the reference to the State shall be to the

1 District), 5, 7, 8 (except that the jurisdiction to which the
2 tax shall be a debt to the extent indicated in that Section 8
3 shall be the District), 9 (except as to the disposition of
4 taxes and penalties collected), 10, 11, 12 (except the
5 reference therein to Section 2b of the Retailers' Occupation
6 Tax Act), 13 (except that any reference to the State shall mean
7 the District), Sections 15, 16, 17, 18, 19 and 20 of the
8 Service Occupation Tax Act and the Uniform Penalty and Interest
9 Act, as fully as if those provisions were set forth herein.

10 Persons subject to any tax imposed under the authority
11 granted in this subsection may reimburse themselves for their
12 serviceman's tax liability by separately stating the tax as an
13 additional charge, which charge may be stated in combination,
14 in a single amount, with State tax that servicemen are
15 authorized to collect under the Service Use Tax Act, in
16 accordance with such bracket schedules as the Department may
17 prescribe.

18 Whenever the Department determines that a refund should be
19 made under this subsection to a claimant instead of issuing a
20 credit memorandum, the Department shall notify the State
21 Comptroller, who shall cause the warrant to be drawn for the
22 amount specified, and to the person named, in the notification
23 from the Department. The refund shall be paid by the State
24 Treasurer out of the State Metro-East Park and Recreation
25 District Fund.

26 Nothing in this subsection shall be construed to authorize

1 the board to impose a tax upon the privilege of engaging in any
2 business which under the Constitution of the United States may
3 not be made the subject of taxation by the State.

4 (c) The Department shall immediately pay over to the State
5 Treasurer, ex officio, as trustee, all taxes and penalties
6 collected under this Section to be deposited into the State
7 Metro-East Park and Recreation District Fund, which shall be an
8 unappropriated trust fund held outside of the State treasury.

9 As soon as possible after the first day of each month,
10 beginning January 1, 2011, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Innovation
14 Development and Economy Act, collected under this Section
15 during the second preceding calendar month for sales within a
16 STAR bond district. The Department shall make this
17 certification only if the Metro East Park and Recreation
18 District imposes a tax on real property as provided in the
19 definition of "local sales taxes" under the Innovation
20 Development and Economy Act.

21 After the monthly transfer to the STAR Bonds Revenue Fund,
22 on or before the 25th day of each calendar month, the
23 Department shall prepare and certify to the Comptroller the
24 disbursement of stated sums of money pursuant to Section 35 of
25 this Act to the District from which retailers have paid taxes
26 or penalties to the Department during the second preceding

1 calendar month. The amount to be paid to the District shall be
2 the amount (not including credit memoranda) collected under
3 this Section during the second preceding calendar month by the
4 Department plus an amount the Department determines is
5 necessary to offset any amounts that were erroneously paid to a
6 different taxing body, and not including (i) an amount equal to
7 the amount of refunds made during the second preceding calendar
8 month by the Department on behalf of the District, (ii) any
9 amount that the Department determines is necessary to offset
10 any amounts that were payable to a different taxing body but
11 were erroneously paid to the District, (iii) any amounts that
12 are transferred to the STAR Bonds Revenue Fund, and (iv) 2% of
13 the remainder, which the Department shall transfer into the Tax
14 Compliance and Administration Fund. The Department, at the time
15 of each monthly disbursement to the District, shall prepare and
16 certify to the State Comptroller the amount to be transferred
17 into the Tax Compliance and Administration Fund under this
18 subsection. Within 10 days after receipt by the Comptroller of
19 the disbursement certification to the District and the Tax
20 Compliance and Administration Fund provided for in this Section
21 to be given to the Comptroller by the Department, the
22 Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with directions contained in
24 the certification.

25 (d) For the purpose of determining whether a tax authorized
26 under this Section is applicable, a retail sale by a producer

1 of coal or another mineral mined in Illinois is a sale at
2 retail at the place where the coal or other mineral mined in
3 Illinois is extracted from the earth. This paragraph does not
4 apply to coal or another mineral when it is delivered or
5 shipped by the seller to the purchaser at a point outside
6 Illinois so that the sale is exempt under the United States
7 Constitution as a sale in interstate or foreign commerce.

8 (e) Nothing in this Section shall be construed to authorize
9 the board to impose a tax upon the privilege of engaging in any
10 business that under the Constitution of the United States may
11 not be made the subject of taxation by this State.

12 (f) An ordinance imposing a tax under this Section or an
13 ordinance extending the imposition of a tax to an additional
14 county or counties shall be certified by the board and filed
15 with the Department of Revenue either (i) on or before the
16 first day of April, whereupon the Department shall proceed to
17 administer and enforce the tax as of the first day of July next
18 following the filing; or (ii) on or before the first day of
19 October, whereupon the Department shall proceed to administer
20 and enforce the tax as of the first day of January next
21 following the filing.

22 (g) When certifying the amount of a monthly disbursement to
23 the District under this Section, the Department shall increase
24 or decrease the amounts by an amount necessary to offset any
25 misallocation of previous disbursements. The offset amount
26 shall be the amount erroneously disbursed within the previous 6

1 months from the time a misallocation is discovered.

2 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17.)

3 Section 123. The Regional Transportation Authority Act is
4 amended by changing Section 4.03 as follows:

5 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

6 Sec. 4.03. Taxes.

7 (a) In order to carry out any of the powers or purposes of
8 the Authority, the Board may by ordinance adopted with the
9 concurrence of 12 of the then Directors, impose throughout the
10 metropolitan region any or all of the taxes provided in this
11 Section. Except as otherwise provided in this Act, taxes
12 imposed under this Section and civil penalties imposed incident
13 thereto shall be collected and enforced by the State Department
14 of Revenue. The Department shall have the power to administer
15 and enforce the taxes and to determine all rights for refunds
16 for erroneous payments of the taxes. Nothing in Public Act
17 95-708 is intended to invalidate any taxes currently imposed by
18 the Authority. The increased vote requirements to impose a tax
19 shall only apply to actions taken after January 1, 2008 (the
20 effective date of Public Act 95-708).

21 (b) The Board may impose a public transportation tax upon
22 all persons engaged in the metropolitan region in the business
23 of selling at retail motor fuel for operation of motor vehicles
24 upon public highways. The tax shall be at a rate not to exceed

1 5% of the gross receipts from the sales of motor fuel in the
2 course of the business. As used in this Act, the term "motor
3 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
4 The Board may provide for details of the tax. The provisions of
5 any tax shall conform, as closely as may be practicable, to the
6 provisions of the Municipal Retailers Occupation Tax Act,
7 including without limitation, conformity to penalties with
8 respect to the tax imposed and as to the powers of the State
9 Department of Revenue to promulgate and enforce rules and
10 regulations relating to the administration and enforcement of
11 the provisions of the tax imposed, except that reference in the
12 Act to any municipality shall refer to the Authority and the
13 tax shall be imposed only with regard to receipts from sales of
14 motor fuel in the metropolitan region, at rates as limited by
15 this Section.

16 (c) In connection with the tax imposed under paragraph (b)
17 of this Section the Board may impose a tax upon the privilege
18 of using in the metropolitan region motor fuel for the
19 operation of a motor vehicle upon public highways, the tax to
20 be at a rate not in excess of the rate of tax imposed under
21 paragraph (b) of this Section. The Board may provide for
22 details of the tax.

23 (d) The Board may impose a motor vehicle parking tax upon
24 the privilege of parking motor vehicles at off-street parking
25 facilities in the metropolitan region at which a fee is
26 charged, and may provide for reasonable classifications in and

1 exemptions to the tax, for administration and enforcement
2 thereof and for civil penalties and refunds thereunder and may
3 provide criminal penalties thereunder, the maximum penalties
4 not to exceed the maximum criminal penalties provided in the
5 Retailers' Occupation Tax Act. The Authority may collect and
6 enforce the tax itself or by contract with any unit of local
7 government. The State Department of Revenue shall have no
8 responsibility for the collection and enforcement unless the
9 Department agrees with the Authority to undertake the
10 collection and enforcement. As used in this paragraph, the term
11 "parking facility" means a parking area or structure having
12 parking spaces for more than 2 vehicles at which motor vehicles
13 are permitted to park in return for an hourly, daily, or other
14 periodic fee, whether publicly or privately owned, but does not
15 include parking spaces on a public street, the use of which is
16 regulated by parking meters.

17 (e) The Board may impose a Regional Transportation
18 Authority Retailers' Occupation Tax upon all persons engaged in
19 the business of selling tangible personal property at retail in
20 the metropolitan region. In Cook County the tax rate shall be
21 1.25% of the gross receipts from sales of tangible personal
22 property taxed at the 1% rate under the Retailers' Occupation
23 Tax Act ~~food for human consumption that is to be consumed off~~
24 ~~the premises where it is sold (other than alcoholic beverages,~~
25 ~~soft drinks and food that has been prepared for immediate~~
26 ~~consumption) and prescription and nonprescription medicines,~~

1 ~~drugs, medical appliances and insulin, urine testing~~
2 ~~materials, syringes and needles used by diabetics,~~ and 1% of
3 the gross receipts from other taxable sales made in the course
4 of that business. In DuPage, Kane, Lake, McHenry, and Will
5 Counties, the tax rate shall be 0.75% of the gross receipts
6 from all taxable sales made in the course of that business. The
7 tax 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 or
14 penalty hereunder. In the administration of, and compliance
15 with this Section, the Department and persons who are subject
16 to this Section shall have the same rights, remedies,
17 privileges, immunities, powers and duties, and be subject to
18 the same conditions, restrictions, limitations, penalties,
19 exclusions, exemptions and definitions of terms, and employ the
20 same modes of procedure, as are prescribed in Sections 1, 1a,
21 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all
22 provisions therein other than the State rate of tax), 2c, 3
23 (except as to the disposition of taxes and penalties
24 collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k,
25 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
26 Retailers' Occupation Tax Act and Section 3-7 of the Uniform

1 Penalty and Interest Act, as fully as if those provisions were
2 set forth herein.

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

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

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

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

1 sale is exempt under the Federal Constitution as a sale in
2 interstate or foreign commerce.

3 No tax shall be imposed or collected under this subsection
4 on the sale of a motor vehicle in this State to a resident of
5 another state if that motor vehicle will not be titled in this
6 State.

7 Nothing in this Section shall be construed to authorize the
8 Regional Transportation Authority to impose a tax upon the
9 privilege of engaging in any business that under the
10 Constitution of the United States may not be made the subject
11 of taxation by this State.

12 (f) If a tax has been imposed under paragraph (e), a
13 Regional Transportation Authority Service Occupation Tax shall
14 also be imposed upon all persons engaged, in the metropolitan
15 region in the business of making sales of service, who as an
16 incident to making the sales of service, transfer tangible
17 personal property within the metropolitan region, either in the
18 form of tangible personal property or in the form of real
19 estate as an incident to a sale of service. In Cook County, the
20 tax rate shall be: (1) 1.25% of the serviceman's cost price of
21 food prepared for immediate consumption and transferred
22 incident to a sale of service subject to the service occupation
23 tax by an entity licensed under the Hospital Licensing Act, the
24 Nursing Home Care Act, the Specialized Mental Health
25 Rehabilitation Act of 2013, the ID/DD Community Care Act, or
26 the MC/DD Act that is located in the metropolitan region; (2)

1 1.25% of the selling price of tangible personal property taxed
2 at the 15 rate under the Service Occupation Tax Act ~~food for~~
3 ~~human consumption that is to be consumed off the premises where~~
4 ~~it is sold (other than alcoholic beverages, soft drinks and~~
5 ~~food that has been prepared for immediate consumption) and~~
6 ~~prescription and nonprescription medicines, drugs, medical~~
7 ~~appliances and insulin, urine testing materials, syringes and~~
8 ~~needles used by diabetics; and (3) 1% of the selling price from~~
9 other taxable sales of tangible personal property transferred.
10 In DuPage, Kane, Lake, McHenry and Will Counties the rate shall
11 be 0.75% of the selling price of all tangible personal property
12 transferred.

13 The tax imposed under this paragraph and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the State Department of Revenue. The
16 Department shall have full power to administer and enforce this
17 paragraph; to collect all taxes and penalties due hereunder; to
18 dispose of taxes and penalties collected in the manner
19 hereinafter provided; and to determine all rights to credit
20 memoranda arising on account of the erroneous payment of tax or
21 penalty hereunder. In the administration of and compliance with
22 this paragraph, the Department and persons who are subject to
23 this paragraph shall have the same rights, remedies,
24 privileges, immunities, powers and duties, and be subject to
25 the same conditions, restrictions, limitations, penalties,
26 exclusions, exemptions and definitions of terms, and employ the

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

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

23 Whenever the Department determines that a refund should be
24 made under this paragraph to a claimant instead of issuing a
25 credit memorandum, the Department shall notify the State
26 Comptroller, who shall cause the warrant to be drawn for the

1 amount specified, and to the person named in the notification
2 from the Department. The refund shall be paid by the State
3 Treasurer out of the Regional Transportation Authority tax fund
4 established under paragraph (n) of this Section.

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

9 (g) If a tax has been imposed under paragraph (e), a tax
10 shall also be imposed upon the privilege of using in the
11 metropolitan region, any item of tangible personal property
12 that is purchased outside the metropolitan region at retail
13 from a retailer, and that is titled or registered with an
14 agency of this State's government. In Cook County the tax rate
15 shall be 1% of the selling price of the tangible personal
16 property, as "selling price" is defined in the Use Tax Act. In
17 DuPage, Kane, Lake, McHenry and Will counties the tax rate
18 shall be 0.75% of the selling price of the tangible personal
19 property, as "selling price" is defined in the Use Tax Act. The
20 tax shall be collected from persons whose Illinois address for
21 titling or registration purposes is given as being in the
22 metropolitan region. The tax shall be collected by the
23 Department of Revenue for the Regional Transportation
24 Authority. The tax must be paid to the State, or an exemption
25 determination must be obtained from the Department of Revenue,
26 before the title or certificate of registration for the

1 property may be issued. The tax or proof of exemption may be
2 transmitted to the Department by way of the State agency with
3 which, or the State officer with whom, the tangible personal
4 property must be titled or registered if the Department and the
5 State agency or State officer determine that this procedure
6 will expedite the processing of applications for title or
7 registration.

8 The Department shall have full power to administer and
9 enforce this paragraph; to collect all taxes, penalties and
10 interest due hereunder; to dispose of taxes, penalties and
11 interest collected in the manner hereinafter provided; and to
12 determine all rights to credit memoranda or refunds arising on
13 account of the erroneous payment of tax, penalty or interest
14 hereunder. In the administration of and compliance with this
15 paragraph, the Department and persons who are subject to this
16 paragraph shall have the same rights, remedies, privileges,
17 immunities, powers and duties, and be subject to the same
18 conditions, restrictions, limitations, penalties, exclusions,
19 exemptions and definitions of terms and employ the same modes
20 of procedure, as are prescribed in Sections 2 (except the
21 definition of "retailer maintaining a place of business in this
22 State"), 3 through 3-80 (except provisions pertaining to the
23 State rate of tax, and except provisions concerning collection
24 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
25 19 (except the portions pertaining to claims by retailers and
26 except the last paragraph concerning refunds), 20, 21 and 22 of

1 the Use Tax Act, and are not inconsistent with this paragraph,
2 as fully as if those provisions were set forth herein.

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

11 (h) The Authority may impose a replacement vehicle tax of
12 \$50 on any passenger car as defined in Section 1-157 of the
13 Illinois Vehicle Code purchased within the metropolitan region
14 by or on behalf of an insurance company to replace a passenger
15 car of an insured person in settlement of a total loss claim.
16 The tax imposed may not become effective before the first day
17 of the month following the passage of the ordinance imposing
18 the tax and receipt of a certified copy of the ordinance by the
19 Department of Revenue. The Department of Revenue shall collect
20 the tax for the Authority in accordance with Sections 3-2002
21 and 3-2003 of the Illinois Vehicle Code.

22 The Department shall immediately pay over to the State
23 Treasurer, ex officio, as trustee, all taxes collected
24 hereunder.

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the Department

1 of Revenue, the Comptroller shall order transferred, and the
2 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
3 local sales tax increment, as defined in the Innovation
4 Development and Economy Act, collected under this Section
5 during the second preceding calendar month for sales within a
6 STAR bond district.

7 After the monthly transfer to the STAR Bonds Revenue Fund,
8 on or before the 25th day of each calendar month, the
9 Department shall prepare and certify to the Comptroller the
10 disbursement of stated sums of money to the Authority. The
11 amount to be paid to the Authority shall be the amount
12 collected hereunder during the second preceding calendar month
13 by the Department, less any amount determined by the Department
14 to be necessary for the payment of refunds, and less any
15 amounts that are transferred to the STAR Bonds Revenue Fund.
16 Within 10 days after receipt by the Comptroller of the
17 disbursement certification to the Authority provided for in
18 this Section to be given to the Comptroller by the Department,
19 the Comptroller shall cause the orders to be drawn for that
20 amount in accordance with the directions contained in the
21 certification.

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

24 (j) A certificate of registration issued by the State
25 Department of Revenue to a retailer under the Retailers'
26 Occupation Tax Act or under the Service Occupation Tax Act

1 shall permit the registrant to engage in a business that is
2 taxed under the tax imposed under paragraphs (b), (e), (f) or
3 (g) of this Section and no additional registration shall be
4 required under the tax. A certificate issued under the Use Tax
5 Act or the Service Use Tax Act shall be applicable with regard
6 to any tax imposed under paragraph (c) of this Section.

7 (k) The provisions of any tax imposed under paragraph (c)
8 of this Section shall conform as closely as may be practicable
9 to the provisions of the Use Tax Act, including without
10 limitation conformity as to penalties with respect to the tax
11 imposed and as to the powers of the State Department of Revenue
12 to promulgate and enforce rules and regulations relating to the
13 administration and enforcement of the provisions of the tax
14 imposed. The taxes shall be imposed only on use within the
15 metropolitan region and at rates as provided in the paragraph.

16 (l) The Board in imposing any tax as provided in paragraphs
17 (b) and (c) of this Section, shall, after seeking the advice of
18 the State Department of Revenue, provide means for retailers,
19 users or purchasers of motor fuel for purposes other than those
20 with regard to which the taxes may be imposed as provided in
21 those paragraphs to receive refunds of taxes improperly paid,
22 which provisions may be at variance with the refund provisions
23 as applicable under the Municipal Retailers Occupation Tax Act.
24 The State Department of Revenue may provide for certificates of
25 registration for users or purchasers of motor fuel for purposes
26 other than those with regard to which taxes may be imposed as

1 provided in paragraphs (b) and (c) of this Section to
2 facilitate the reporting and nontaxability of the exempt sales
3 or uses.

4 (m) Any ordinance imposing or discontinuing any tax under
5 this Section shall be adopted and a certified copy thereof
6 filed with the Department on or before June 1, whereupon the
7 Department of Revenue shall proceed to administer and enforce
8 this Section on behalf of the Regional Transportation Authority
9 as of September 1 next following such adoption and filing.
10 Beginning January 1, 1992, an ordinance or resolution imposing
11 or discontinuing the tax hereunder shall be adopted and a
12 certified copy thereof filed with the Department on or before
13 the first day of July, whereupon the Department shall proceed
14 to administer and enforce this Section as of the first day of
15 October next following such adoption and filing. Beginning
16 January 1, 1993, an ordinance or resolution imposing,
17 increasing, decreasing, or discontinuing the tax hereunder
18 shall be adopted and a certified copy thereof filed with the
19 Department, whereupon the Department shall proceed to
20 administer and enforce this Section as of the first day of the
21 first month to occur not less than 60 days following such
22 adoption and filing. Any ordinance or resolution of the
23 Authority imposing a tax under this Section and in effect on
24 August 1, 2007 shall remain in full force and effect and shall
25 be administered by the Department of Revenue under the terms
26 and conditions and rates of tax established by such ordinance

1 or resolution until the Department begins administering and
2 enforcing an increased tax under this Section as authorized by
3 Public Act 95-708. The tax rates authorized by Public Act
4 95-708 are effective only if imposed by ordinance of the
5 Authority.

6 (n) Except as otherwise provided in this subsection (n),
7 the State Department of Revenue shall, upon collecting any
8 taxes as provided in this Section, pay the taxes over to the
9 State Treasurer as trustee for the Authority. The taxes shall
10 be held in a trust fund outside the State Treasury. On or
11 before the 25th day of each calendar month, the State
12 Department of Revenue shall prepare and certify to the
13 Comptroller of the State of Illinois and to the Authority (i)
14 the amount of taxes collected in each County other than Cook
15 County in the metropolitan region, (ii) the amount of taxes
16 collected within the City of Chicago, and (iii) the amount
17 collected in that portion of Cook County outside of Chicago,
18 each amount less the amount necessary for the payment of
19 refunds to taxpayers located in those areas described in items
20 (i), (ii), and (iii), and less 2% of the remainder, which shall
21 be transferred from the trust fund into the Tax Compliance and
22 Administration Fund. The Department, at the time of each
23 monthly disbursement to the Authority, shall prepare and
24 certify to the State Comptroller the amount to be transferred
25 into the Tax Compliance and Administration Fund under this
26 subsection. Within 10 days after receipt by the Comptroller of

1 the certification of the amounts, the Comptroller shall cause
2 an order to be drawn for the transfer of the amount certified
3 into the Tax Compliance and Administration Fund and the payment
4 of two-thirds of the amounts certified in item (i) of this
5 subsection to the Authority and one-third of the amounts
6 certified in item (i) of this subsection to the respective
7 counties other than Cook County and the amount certified in
8 items (ii) and (iii) of this subsection to the Authority.

9 In addition to the disbursement required by the preceding
10 paragraph, an allocation shall be made in July 1991 and each
11 year thereafter to the Regional Transportation Authority. The
12 allocation shall be made in an amount equal to the average
13 monthly distribution during the preceding calendar year
14 (excluding the 2 months of lowest receipts) and the allocation
15 shall include the amount of average monthly distribution from
16 the Regional Transportation Authority Occupation and Use Tax
17 Replacement Fund. The distribution made in July 1992 and each
18 year thereafter under this paragraph and the preceding
19 paragraph shall be reduced by the amount allocated and
20 disbursed under this paragraph in the preceding calendar year.
21 The Department of Revenue shall prepare and certify to the
22 Comptroller for disbursement the allocations made in
23 accordance with this paragraph.

24 (o) Failure to adopt a budget ordinance or otherwise to
25 comply with Section 4.01 of this Act or to adopt a Five-year
26 Capital Program or otherwise to comply with paragraph (b) of

1 Section 2.01 of this Act shall not affect the validity of any
2 tax imposed by the Authority otherwise in conformity with law.

3 (p) At no time shall a public transportation tax or motor
4 vehicle parking tax authorized under paragraphs (b), (c) and
5 (d) of this Section be in effect at the same time as any
6 retailers' occupation, use or service occupation tax
7 authorized under paragraphs (e), (f) and (g) of this Section is
8 in effect.

9 Any taxes imposed under the authority provided in
10 paragraphs (b), (c) and (d) shall remain in effect only until
11 the time as any tax authorized by paragraphs (e), (f) or (g) of
12 this Section are imposed and becomes effective. Once any tax
13 authorized by paragraphs (e), (f) or (g) is imposed the Board
14 may not reimpose taxes as authorized in paragraphs (b), (c) and
15 (d) of the Section unless any tax authorized by paragraphs (e),
16 (f) or (g) of this Section becomes ineffective by means other
17 than an ordinance of the Board.

18 (q) Any existing rights, remedies and obligations
19 (including enforcement by the Regional Transportation
20 Authority) arising under any tax imposed under paragraphs (b),
21 (c) or (d) of this Section shall not be affected by the
22 imposition of a tax under paragraphs (e), (f) or (g) of this
23 Section.

24 (Source: P.A. 99-180, eff. 7-29-15; 99-217, eff. 7-31-15;
25 99-642, eff. 7-28-16; 100-23, eff. 7-6-17.)

1 Section 125. The Water Commission Act of 1985 is amended by
2 changing Section 4 as follows:

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

4 Sec. 4. Taxes.

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

15 The proposition shall be in the form provided in Section 5
16 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 the

1 State Department of Revenue. The Department shall have the
2 power to administer and enforce the taxes and to determine all
3 rights for refunds for erroneous payments of the taxes.

4 (b) The board of commissioners may impose a County Water
5 Commission Retailers' Occupation Tax upon all persons engaged
6 in the business of selling tangible personal property at retail
7 in the territory of the commission at a rate of 1/4% of the
8 gross receipts from the sales made in the course of such
9 business within the territory. The tax imposed under this
10 paragraph and all civil penalties that may be assessed as an
11 incident thereof shall be collected and enforced by the State
12 Department of Revenue. The Department shall have full power to
13 administer and enforce this paragraph; to collect all taxes and
14 penalties due hereunder; to dispose of taxes and penalties so
15 collected in the manner hereinafter provided; and to determine
16 all rights to credit memoranda arising on account of the
17 erroneous payment of tax or penalty hereunder. In the
18 administration of, and compliance with, this paragraph, the
19 Department and persons who are subject to this paragraph shall
20 have the same rights, remedies, privileges, immunities, powers
21 and duties, and be subject to the same conditions,
22 restrictions, limitations, penalties, exclusions, exemptions
23 and definitions of terms, and employ the same modes of
24 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
25 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
26 therein other than the State rate of tax except that tangible

1 personal property taxed at the 1% rate under the Retailers'
2 Occupation Tax Act ~~food for human consumption that is to be~~
3 ~~consumed off the premises where it is sold (other than~~
4 ~~alcoholic beverages, soft drinks, and food that has been~~
5 ~~prepared for immediate consumption) and prescription and~~
6 ~~nonprescription medicine, drugs, medical appliances and~~
7 ~~insulin, urine testing materials, syringes, and needles used by~~
8 ~~diabetics, for human use,~~ shall not be subject to tax
9 hereunder), 2c, 3 (except as to the disposition of taxes and
10 penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
11 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, and 13 of
12 the Retailers' Occupation Tax Act and Section 3-7 of the
13 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 seller's tax liability hereunder by separately stating the tax
18 as an additional charge, which charge may be stated in
19 combination, in a single amount, with State taxes that sellers
20 are required to collect under the Use Tax Act and under
21 subsection (e) of Section 4.03 of the Regional Transportation
22 Authority Act, in accordance with such bracket schedules as the
23 Department may prescribe.

24 Whenever the Department determines that a refund should be
25 made under this paragraph to a claimant instead of issuing a
26 credit memorandum, the Department shall notify the State

1 Comptroller, who shall cause the warrant to be drawn for the
2 amount specified, and to the person named, in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of a county water commission tax fund established
5 under subsection ~~paragraph~~ (g) of this Section.

6 For the purpose of determining whether a tax authorized
7 under this paragraph is applicable, a retail sale by a producer
8 of coal or other mineral mined in Illinois is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This paragraph does not apply to
11 coal or other mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the Federal Constitution as a sale in
14 interstate or foreign commerce.

15 If a tax is imposed under this subsection (b), a tax shall
16 also be imposed under subsections (c) and (d) of this Section.

17 No tax shall be imposed or collected under this subsection
18 on the sale of a motor vehicle in this State to a resident of
19 another state if that motor vehicle will not be titled in this
20 State.

21 Nothing in this paragraph shall be construed to authorize a
22 county water commission to impose a tax upon the privilege of
23 engaging in any business which under the Constitution of the
24 United States may not be made the subject of taxation by this
25 State.

26 (c) If a tax has been imposed under subsection (b), a

1 County Water Commission Service Occupation Tax shall also be
2 imposed upon all persons engaged, in the territory of the
3 commission, in the business of making sales of service, who, as
4 an incident to making the sales of service, transfer tangible
5 personal property within the territory. The tax rate shall be
6 1/4% of the selling price of tangible personal property so
7 transferred within the territory. The tax imposed under this
8 paragraph and all civil penalties that may be assessed as an
9 incident thereof shall be collected and enforced by the State
10 Department of Revenue. The Department shall have full power to
11 administer and enforce this paragraph; to collect all taxes and
12 penalties due hereunder; to dispose of taxes and penalties so
13 collected in the manner hereinafter provided; and to determine
14 all rights to credit memoranda arising on account of the
15 erroneous payment of tax or penalty hereunder. In the
16 administration of, and compliance with, this paragraph, the
17 Department and persons who are subject to this paragraph shall
18 have the same rights, remedies, privileges, immunities, powers
19 and duties, and be subject to the same conditions,
20 restrictions, limitations, penalties, exclusions, exemptions
21 and definitions of terms, and employ the same modes of
22 procedure, as are prescribed in Sections 1a-1, 2 (except that
23 the reference to State in the definition of supplier
24 maintaining a place of business in this State shall mean the
25 territory of the commission), 2a, 3 through 3-50 (in respect to
26 all provisions therein other than the State rate of tax except

1 that tangible personal property taxed at the 1% rate under the
2 Service Occupation Tax Act ~~food for human consumption that is~~
3 ~~to be consumed off the premises where it is sold (other than~~
4 ~~alcoholic beverages, soft drinks, and food that has been~~
5 ~~prepared for immediate consumption) and prescription and~~
6 ~~nonprescription medicines, drugs, medical appliances and~~
7 ~~insulin, urine testing materials, syringes, and needles used by~~
8 ~~diabetics, for human use,~~ shall not be subject to tax
9 hereunder), 4 (except that the reference to the State shall be
10 to the territory of the commission), 5, 7, 8 (except that the
11 jurisdiction to which the tax shall be a debt to the extent
12 indicated in that Section 8 shall be the commission), 9 (except
13 as to the disposition of taxes and penalties collected and
14 except that the returned merchandise credit for this tax may
15 not be taken against any State tax), 10, 11, 12 (except the
16 reference therein to Section 2b of the Retailers' Occupation
17 Tax Act), 13 (except that any reference to the State shall mean
18 the territory of the commission), the first paragraph of
19 Section 15, 15.5, 16, 17, 18, 19, and 20 of the Service
20 Occupation Tax Act as fully as if those provisions were set
21 forth herein.

22 Persons subject to any tax imposed under the authority
23 granted in this paragraph may reimburse themselves for their
24 serviceman's tax liability hereunder by separately stating the
25 tax as an additional charge, which charge may be stated in
26 combination, in a single amount, with State tax that servicemen

1 are authorized to collect under the Service Use Tax Act, and
2 any tax for which servicemen may be liable under subsection (f)
3 of Section 4.03 of the Regional Transportation Authority Act,
4 in accordance with such bracket schedules as the Department may
5 prescribe.

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

14 Nothing in this paragraph shall be construed to authorize a
15 county water commission to impose a tax upon the privilege of
16 engaging in any business which under the Constitution of the
17 United States may not be made the subject of taxation by the
18 State.

19 (d) If a tax has been imposed under subsection (b), a tax
20 shall also be imposed upon the privilege of using, in the
21 territory of the commission, any item of tangible personal
22 property that is purchased outside the territory at retail from
23 a retailer, and that is titled or registered with an agency of
24 this State's government, at a rate of 1/4% of the selling price
25 of the tangible personal property within the territory, as
26 "selling price" is defined in the Use Tax Act. The tax shall be

1 collected from persons whose Illinois address for titling or
2 registration purposes is given as being in the territory. The
3 tax shall be collected by the Department of Revenue for a
4 county water commission. The tax must be paid to the State, or
5 an exemption determination must be obtained from the Department
6 of Revenue, before the title or certificate of registration for
7 the property may be issued. The tax or proof of exemption may
8 be transmitted to the Department by way of the State agency
9 with which, or the State officer with whom, the tangible
10 personal property must be titled or registered if the
11 Department and the State agency or State officer determine that
12 this procedure will expedite the processing of applications for
13 title or registration.

14 The Department shall have full power to administer and
15 enforce this paragraph; to collect all taxes, penalties, and
16 interest due hereunder; to dispose of taxes, penalties, and
17 interest so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda or refunds arising
19 on account of the erroneous payment of tax, penalty, or
20 interest hereunder. In the administration of, and compliance
21 with this paragraph, the Department and persons who are subject
22 to this paragraph shall have the same rights, remedies,
23 privileges, immunities, powers, and duties, and be subject to
24 the same conditions, restrictions, limitations, penalties,
25 exclusions, exemptions, and definitions of terms and employ the
26 same modes of procedure, as are prescribed in Sections 2

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

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

26 (e) A certificate of registration issued by the State

1 Department of Revenue to a retailer under the Retailers'
2 Occupation Tax Act or under the Service Occupation Tax Act
3 shall permit the registrant to engage in a business that is
4 taxed under the tax imposed under subsection ~~paragraphs~~ (b),
5 (c), or (d) of this Section and no additional registration
6 shall be required under the tax. A certificate issued under the
7 Use Tax Act or the Service Use Tax Act shall be applicable with
8 regard to any tax imposed under subsection ~~paragraph~~ (c) of
9 this Section.

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

1 day of January next following such adoption and filing.

2 (g) The State Department of Revenue shall, upon collecting
3 any taxes as provided in this Section, pay the taxes over to
4 the State Treasurer as trustee for the commission. The taxes
5 shall be held in a trust fund outside the State Treasury.

6 As soon as possible after the first day of each month,
7 beginning January 1, 2011, upon certification of the Department
8 of Revenue, the Comptroller shall order transferred, and the
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
10 local sales tax increment, as defined in the Innovation
11 Development and Economy Act, collected under this Section
12 during the second preceding calendar month for sales within a
13 STAR bond district.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the State
16 Department of Revenue shall prepare and certify to the
17 Comptroller of the State of Illinois the amount to be paid to
18 the commission, which shall be the amount (not including credit
19 memoranda) collected under this Section during the second
20 preceding calendar month by the Department plus an amount the
21 Department determines is necessary to offset any amounts that
22 were erroneously paid to a different taxing body, and not
23 including any amount equal to the amount of refunds made during
24 the second preceding calendar month by the Department on behalf
25 of the commission, and not including any amount that the
26 Department determines is necessary to offset any amounts that

1 were payable to a different taxing body but were erroneously
2 paid to the commission, and less any amounts that are
3 transferred to the STAR Bonds Revenue Fund, less 2% of the
4 remainder, which shall be transferred into the Tax Compliance
5 and Administration Fund. The Department, at the time of each
6 monthly disbursement to the commission, shall prepare and
7 certify to the State Comptroller the amount to be transferred
8 into the Tax Compliance and Administration Fund under this
9 subsection. Within 10 days after receipt by the Comptroller of
10 the certification of the amount to be paid to the commission
11 and the Tax Compliance and Administration Fund, the Comptroller
12 shall cause an order to be drawn for the payment for the amount
13 in accordance with the direction in the certification.

14 (h) Beginning June 1, 2016, any tax imposed pursuant to
15 this Section may no longer be imposed or collected, unless a
16 continuation of the tax is approved by the voters at a
17 referendum as set forth in this Section.

18 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16;
19 100-23, eff. 7-6-17; revised 10-3-17.)

20 Section 130. The Illinois Horse Racing Act of 1975 is
21 amended by changing Sections 27 and 28.1 as follows:

22 (230 ILCS 5/27) (from Ch. 8, par. 37-27)

23 Sec. 27. (a) In addition to the organization license fee
24 provided by this Act, until January 1, 2000, a graduated

1 privilege tax is hereby imposed for conducting the pari-mutuel
2 system of wagering permitted under this Act. Until January 1,
3 2000, except as provided in subsection (g) of Section 27 of
4 this Act, all of the breakage of each racing day held by any
5 licensee in the State shall be paid to the State. Until January
6 1, 2000, such daily graduated privilege tax shall be paid by
7 the licensee from the amount permitted to be retained under
8 this Act. Until January 1, 2000, each day's graduated privilege
9 tax, breakage, and Horse Racing Tax Allocation funds shall be
10 remitted to the Department of Revenue within 48 hours after the
11 close of the racing day upon which it is assessed or within
12 such other time as the Board prescribes. The privilege tax
13 hereby imposed, until January 1, 2000, shall be a flat tax at
14 the rate of 2% of the daily pari-mutuel handle except as
15 provided in Section 27.1.

16 In addition, every organization licensee, except as
17 provided in Section 27.1 of this Act, which conducts multiple
18 wagering shall pay, until January 1, 2000, as a privilege tax
19 on multiple wagers an amount equal to 1.25% of all moneys
20 wagered each day on such multiple wagers, plus an additional
21 amount equal to 3.5% of the amount wagered each day on any
22 other multiple wager which involves a single betting interest
23 on 3 or more horses. The licensee shall remit the amount of
24 such taxes to the Department of Revenue within 48 hours after
25 the close of the racing day on which it is assessed or within
26 such other time as the Board prescribes.

1 This subsection (a) shall be inoperative and of no force
2 and effect on and after January 1, 2000.

3 (a-5) Beginning on January 1, 2000, a flat pari-mutuel tax
4 at the rate of 1.5% of the daily pari-mutuel handle is imposed
5 at all pari-mutuel wagering facilities and on advance deposit
6 wagering from a location other than a wagering facility, except
7 as otherwise provided for in this subsection (a-5). In addition
8 to the pari-mutuel tax imposed on advance deposit wagering
9 pursuant to this subsection (a-5), beginning on August 24, 2012
10 (the effective date of Public Act 97-1060) and through December
11 31, 2018, an additional pari-mutuel tax at the rate of 0.25%
12 shall be imposed on advance deposit wagering. Until August 25,
13 2012, the additional 0.25% pari-mutuel tax imposed on advance
14 deposit wagering by Public Act 96-972 shall be deposited into
15 the Quarter Horse Purse Fund, which shall be created as a
16 non-appropriated trust fund administered by the Board for
17 grants to thoroughbred organization licensees for payment of
18 purses for quarter horse races conducted by the organization
19 licensee. Beginning on August 26, 2012, the additional 0.25%
20 pari-mutuel tax imposed on advance deposit wagering shall be
21 deposited into the Standardbred Purse Fund, which shall be
22 created as a non-appropriated trust fund administered by the
23 Board, for grants to the standardbred organization licensees
24 for payment of purses for standardbred horse races conducted by
25 the organization licensee. Thoroughbred organization licensees
26 may petition the Board to conduct quarter horse racing and

1 receive purse grants from the Quarter Horse Purse Fund. The
2 Board shall have complete discretion in distributing the
3 Quarter Horse Purse Fund to the petitioning organization
4 licensees. Beginning on July 26, 2010 (the effective date of
5 Public Act 96-1287), a pari-mutuel tax at the rate of 0.75% of
6 the daily pari-mutuel handle is imposed at a pari-mutuel
7 facility whose license is derived from a track located in a
8 county that borders the Mississippi River and conducted live
9 racing in the previous year. Until the effective date of this
10 amendatory Act of the 100th General Assembly, the ~~The~~
11 pari-mutuel tax imposed by this subsection (a-5) shall be
12 remitted to the Department of Revenue within 48 hours after the
13 close of the racing day upon which it is assessed or within
14 such other time as the Board prescribes. Beginning on the
15 effective date of this amendatory Act of the 100th General
16 Assembly, the pari-mutuel tax imposed by this subsection (a-5)
17 shall be remitted to the Board within 48 hours after the close
18 of the racing day upon which it is assessed or within such
19 other time as the Board prescribes.

20 (b) On or before December 31, 1999, in the event that any
21 organization licensee conducts 2 separate programs of races on
22 any day, each such program shall be considered a separate
23 racing day for purposes of determining the daily handle and
24 computing the privilege tax on such daily handle as provided in
25 subsection (a) of this Section.

26 (c) Licensees shall at all times keep accurate books and

1 records of all monies wagered on each day of a race meeting and
2 of the taxes paid to the Department of Revenue under the
3 provisions of this Section. The Board or its duly authorized
4 representative or representatives shall at all reasonable
5 times have access to such records for the purpose of examining
6 and checking the same and ascertaining whether the proper
7 amount of taxes is being paid as provided. The Board shall
8 require verified reports and a statement of the total of all
9 monies wagered daily at each wagering facility upon which the
10 taxes are assessed and may prescribe forms upon which such
11 reports and statement shall be made.

12 (d) Any licensee failing or refusing to pay the amount of
13 any tax due under this Section shall be guilty of a business
14 offense and upon conviction shall be fined not more than \$5,000
15 in addition to the amount found due as tax under this Section.
16 Each day's violation shall constitute a separate offense. All
17 fines paid into Court by a licensee hereunder shall be
18 transmitted and paid over by the Clerk of the Court to the
19 Board.

20 (e) No other license fee, privilege tax, excise tax, or
21 racing fee, except as provided in this Act, shall be assessed
22 or collected from any such licensee by the State.

23 (f) No other license fee, privilege tax, excise tax or
24 racing fee shall be assessed or collected from any such
25 licensee by units of local government except as provided in
26 paragraph 10.1 of subsection (h) and subsection (f) of Section

1 26 of this Act. However, any municipality that has a Board
2 licensed horse race meeting at a race track wholly within its
3 corporate boundaries or a township that has a Board licensed
4 horse race meeting at a race track wholly within the
5 unincorporated area of the township may charge a local
6 amusement tax not to exceed 10¢ per admission to such horse
7 race meeting by the enactment of an ordinance. However, any
8 municipality or county that has a Board licensed inter-track
9 wagering location facility wholly within its corporate
10 boundaries may each impose an admission fee not to exceed \$1.00
11 per admission to such inter-track wagering location facility,
12 so that a total of not more than \$2.00 per admission may be
13 imposed. Except as provided in subparagraph (g) of Section 27
14 of this Act, the inter-track wagering location licensee shall
15 collect any and all such fees and within 48 hours remit the
16 fees to the Board, which shall, pursuant to rule, cause the
17 fees to be distributed to the county or municipality.

18 (g) Notwithstanding any provision in this Act to the
19 contrary, if in any calendar year the total taxes and fees
20 required to be collected from licensees and distributed under
21 this Act to all State and local governmental authorities
22 exceeds the amount of such taxes and fees distributed to each
23 State and local governmental authority to which each State and
24 local governmental authority was entitled under this Act for
25 calendar year 1994, then the first \$11 million of that excess
26 amount shall be allocated at the earliest possible date for

1 distribution as purse money for the succeeding calendar year.
2 Upon reaching the 1994 level, and until the excess amount of
3 taxes and fees exceeds \$11 million, the Board shall direct all
4 licensees to cease paying the subject taxes and fees and the
5 Board shall direct all licensees to allocate any such excess
6 amount for purses as follows:

7 (i) the excess amount shall be initially divided
8 between thoroughbred and standardbred purses based on the
9 thoroughbred's and standardbred's respective percentages
10 of total Illinois live wagering in calendar year 1994;

11 (ii) each thoroughbred and standardbred organization
12 licensee issued an organization license in that
13 succeeding allocation year shall be allocated an amount
14 equal to the product of its percentage of total Illinois
15 live thoroughbred or standardbred wagering in calendar
16 year 1994 (the total to be determined based on the sum of
17 1994 on-track wagering for all organization licensees
18 issued organization licenses in both the allocation year
19 and the preceding year) multiplied by the total amount
20 allocated for standardbred or thoroughbred purses,
21 provided that the first \$1,500,000 of the amount allocated
22 to standardbred purses under item (i) shall be allocated to
23 the Department of Agriculture to be expended with the
24 assistance and advice of the Illinois Standardbred
25 Breeders Funds Advisory Board for the purposes listed in
26 subsection (g) of Section 31 of this Act, before the amount

1 allocated to standardbred purses under item (i) is
2 allocated to standardbred organization licensees in the
3 succeeding allocation year.

4 To the extent the excess amount of taxes and fees to be
5 collected and distributed to State and local governmental
6 authorities exceeds \$11 million, that excess amount shall be
7 collected and distributed to State and local authorities as
8 provided for under this Act.

9 (Source: P.A. 98-18, eff. 6-7-13; 98-624, eff. 1-29-14; 99-756,
10 eff. 8-12-16.)

11 (230 ILCS 5/28.1)

12 Sec. 28.1. Payments.

13 (a) Beginning on January 1, 2000, moneys collected ~~by the~~
14 ~~Department of Revenue and the Racing Board~~ pursuant to Section
15 26 or Section 27 of this Act shall be deposited into the Horse
16 Racing Fund, which is hereby created as a special fund in the
17 State Treasury.

18 (b) Appropriations, as approved by the General Assembly,
19 may be made from the Horse Racing Fund to the Board to pay the
20 salaries of the Board members, secretary, stewards, directors
21 of mutuels, veterinarians, representatives, accountants,
22 clerks, stenographers, inspectors and other employees of the
23 Board, and all expenses of the Board incident to the
24 administration of this Act, including, but not limited to, all
25 expenses and salaries incident to the taking of saliva and

1 urine samples in accordance with the rules and regulations of
2 the Board.

3 (c) (Blank).

4 (d) Beginning January 1, 2000, payments to all programs in
5 existence on the effective date of this amendatory Act of 1999
6 that are identified in Sections 26(c), 26(f), 26(h)(11)(C), and
7 28, subsections (a), (b), (c), (d), (e), (f), (g), and (h) of
8 Section 30, and subsections (a), (b), (c), (d), (e), (f), (g),
9 and (h) of Section 31 shall be made from the General Revenue
10 Fund at the funding levels determined by amounts paid under
11 this Act in calendar year 1998. Beginning on the effective date
12 of this amendatory Act of the 93rd General Assembly, payments
13 to the Peoria Park District shall be made from the General
14 Revenue Fund at the funding level determined by amounts paid to
15 that park district for museum purposes under this Act in
16 calendar year 1994.

17 If an inter-track wagering location licensee's facility
18 changes its location, then the payments associated with that
19 facility under this subsection (d) for museum purposes shall be
20 paid to the park district in the area where the facility
21 relocates, and the payments shall be used for museum purposes.
22 If the facility does not relocate to a park district, then the
23 payments shall be paid to the taxing district that is
24 responsible for park or museum expenditures.

25 (e) Beginning July 1, 2006, the payment authorized under
26 subsection (d) to museums and aquariums located in park

1 districts of over 500,000 population shall be paid to museums,
2 aquariums, and zoos in amounts determined by Museums in the
3 Park, an association of museums, aquariums, and zoos located on
4 Chicago Park District property.

5 (f) Beginning July 1, 2007, the Children's Discovery Museum
6 in Normal, Illinois shall receive payments from the General
7 Revenue Fund at the funding level determined by the amounts
8 paid to the Miller Park Zoo in Bloomington, Illinois under this
9 Section in calendar year 2006.

10 (Source: P.A. 98-624, eff. 1-29-14.)

11 Section 135. The Illinois Pull Tabs and Jar Games Act is
12 amended by changing Section 5 as follows:

13 (230 ILCS 20/5) (from Ch. 120, par. 1055)

14 Sec. 5. Payments; returns. There shall be paid to the
15 Department of Revenue 5% of the gross proceeds of any pull tabs
16 and jar games conducted under this Act. Such payments shall be
17 made 4 times per year, between the first and the 20th day of
18 April, July, October and January. Accompanying each payment
19 shall be a return, on forms prescribed by the Department of
20 Revenue. Failure to submit either the payment or the return
21 within the specified time shall result in suspension or
22 revocation of the license. Tax returns filed pursuant to this
23 Act shall not be confidential and shall be available for public
24 inspection. All payments made to the Department of Revenue

1 under this Act shall be deposited as follows:

2 (a) 50% shall be deposited in the Common School Fund;

3 and

4 (b) 50% shall be deposited in the Illinois Gaming Law
5 Enforcement Fund. Of the monies deposited in the Illinois
6 Gaming Law Enforcement Fund under this Section, the General
7 Assembly shall appropriate two-thirds to the Department of
8 Revenue, Department of State Police and the Office of the
9 Attorney General for State law enforcement purposes, and
10 one-third shall be appropriated to the Department of
11 Revenue for the purpose of distribution in the form of
12 grants to counties or municipalities for law enforcement
13 purposes. The amounts of grants to counties or
14 municipalities shall bear the same ratio as the number of
15 licenses issued in counties or municipalities bears to the
16 total number of licenses issued in the State. In computing
17 the number of licenses issued in a county, licenses issued
18 for locations within a municipality's boundaries shall be
19 excluded.

20 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
21 5g, 5h, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the
22 Retailers' Occupation Tax Act, and Section 3-7 of the Uniform
23 Penalty and Interest Act, which are not inconsistent with this
24 Act shall apply, as far as practicable, to the subject matter
25 of this Act to the same extent as if such provisions were
26 included in this Act. For the purposes of this Act, references

1 in such incorporated Sections of the Retailers' Occupation Tax
2 Act to retailers, sellers or persons engaged in the business of
3 selling tangible personal property means persons engaged in
4 conducting pull tabs and jar games and references in such
5 incorporated Sections of the Retailers' Occupation Tax Act to
6 sales of tangible personal property mean the conducting of pull
7 tabs and jar games and the making of charges for participating
8 in such drawings.

9 If any payment provided for in this Section exceeds the
10 taxpayer's liabilities under this Act, as shown on an original
11 return, the taxpayer may credit such excess payment against
12 liability subsequently to be remitted to the Department under
13 this Act, in accordance with reasonable rules adopted by the
14 Department.

15 (Source: P.A. 95-228, eff. 8-16-07.)

16 Section 140. The Bingo License and Tax Act is amended by
17 changing Section 3 as follows:

18 (230 ILCS 25/3) (from Ch. 120, par. 1103)

19 Sec. 3. Payments; returns. There shall be paid to the
20 Department of Revenue, 5% of the gross proceeds of any game of
21 bingo conducted under the provision of this Act. Such payments
22 shall be made 4 times per year, between the first and the 20th
23 day of April, July, October and January. Accompanying each
24 payment shall be a return, on forms prescribed by the

1 Department of Revenue. Failure to submit either the payment or
2 the return within the specified time may result in suspension
3 or revocation of the license. Tax returns filed pursuant to
4 this Act shall not be confidential and shall be available for
5 public inspection.

6 If any payment provided for in this Section exceeds the
7 taxpayer's liabilities under this Act, as shown on an original
8 return, the taxpayer may credit such excess payment against
9 liability subsequently to be remitted to the Department under
10 this Act, in accordance with reasonable rules adopted by the
11 Department.

12 All payments made to the Department of Revenue under this
13 Section shall be deposited as follows:

14 (1) 50% shall be deposited in the Mental Health Fund;

15 and

16 (2) 50% shall be deposited in the Common School Fund.

17 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
18 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'
19 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
20 Interest Act, which are not inconsistent with this Act, shall
21 apply, as far as practicable, to the subject matter of this Act
22 to the same extent as if such provisions were included in this
23 Act. For the purposes of this Act, references in such
24 incorporated Sections of the Retailers' Occupation Tax Act to
25 retailers, sellers or persons engaged in the business of
26 selling tangible personal property means persons engaged in

1 conducting bingo games, and references in such incorporated
2 Sections of the Retailers' Occupation Tax Act to sales of
3 tangible personal property mean the conducting of bingo games
4 and the making of charges for playing such games.

5 (Source: P.A. 95-228, eff. 8-16-07.)

6 Section 145. The Charitable Games Act is amended by
7 changing Section 9 as follows:

8 (230 ILCS 30/9) (from Ch. 120, par. 1129)

9 Sec. 9. Payments; returns. There shall be paid to the
10 Department of Revenue, 5% of the net proceeds of charitable
11 games conducted under the provisions of this Act. Such payments
12 shall be made within 30 days after the completion of the games.
13 Accompanying each payment shall be a return, on forms
14 prescribed by the Department of Revenue. Failure to submit
15 either the payment or the return within the specified time may
16 result in suspension or revocation of the license. Tax returns
17 filed pursuant to this Act shall not be confidential and shall
18 be available for public inspection.

19 The provisions of Sections 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
20 5g, 5i, 5j, 6, 6a, 6b, 6c, 8, 9, 10, 11 and 12 of the Retailers'
21 Occupation Tax Act, and Section 3-7 of the Uniform Penalty and
22 Interest Act, which are not inconsistent with this Act shall
23 apply, as far as practicable, to the subject matter of this Act
24 to the same extent as if such provisions were included in this

1 Act. For the purposes of this Act, references in such
2 incorporated Sections of the Retailers' Occupation Tax Act to
3 retailers, sellers or persons engaged in the business of
4 selling tangible personal property means persons engaged in
5 conducting charitable games, and references in such
6 incorporated Sections of the Retailers' Occupation Tax Act to
7 sales of tangible personal property mean the conducting of
8 charitable games and the making of charges for playing such
9 games.

10 If any payment provided for in this Section exceeds the
11 taxpayer's liabilities under this Act, as shown on an original
12 return, the taxpayer may credit such excess payment against
13 liability subsequently to be remitted to the Department under
14 this Act, in accordance with reasonable rules adopted by the
15 Department.

16 All payments made to the Department of Revenue under this
17 Section shall be deposited into the Illinois Gaming Law
18 Enforcement Fund of the State Treasury.

19 (Source: P.A. 98-377, eff. 1-1-14.)

20 Section 150. The Liquor Control Act of 1934 is amended by
21 changing Section 8-2 as follows:

22 (235 ILCS 5/8-2) (from Ch. 43, par. 159)

23 Sec. 8-2. Payments; reports. It is the duty of each
24 manufacturer with respect to alcoholic liquor produced or

1 imported by such manufacturer, or purchased tax-free by such
2 manufacturer from another manufacturer or importing
3 distributor, and of each importing distributor as to alcoholic
4 liquor purchased by such importing distributor from foreign
5 importers or from anyone from any point in the United States
6 outside of this State or purchased tax-free from another
7 manufacturer or importing distributor, to pay the tax imposed
8 by Section 8-1 to the Department of Revenue on or before the
9 15th day of the calendar month following the calendar month in
10 which such alcoholic liquor is sold or used by such
11 manufacturer or by such importing distributor other than in an
12 authorized tax-free manner or to pay that tax electronically as
13 provided in this Section.

14 Each manufacturer and each importing distributor shall
15 make payment under one of the following methods: (1) on or
16 before the 15th day of each calendar month, file in person or
17 by United States first-class mail, postage pre-paid, with the
18 Department of Revenue, on forms prescribed and furnished by the
19 Department, a report in writing in such form as may be required
20 by the Department in order to compute, and assure the accuracy
21 of, the tax due on all taxable sales and uses of alcoholic
22 liquor occurring during the preceding month. Payment of the tax
23 in the amount disclosed by the report shall accompany the
24 report or, (2) on or before the 15th day of each calendar
25 month, electronically file with the Department of Revenue, on
26 forms prescribed and furnished by the Department, an electronic

1 report in such form as may be required by the Department in
2 order to compute, and assure the accuracy of, the tax due on
3 all taxable sales and uses of alcoholic liquor occurring during
4 the preceding month. An electronic payment of the tax in the
5 amount disclosed by the report shall accompany the report. A
6 manufacturer or distributor who files an electronic report and
7 electronically pays the tax imposed pursuant to Section 8-1 to
8 the Department of Revenue on or before the 15th day of the
9 calendar month following the calendar month in which such
10 alcoholic liquor is sold or used by that manufacturer or
11 importing distributor other than in an authorized tax-free
12 manner shall pay to the Department the amount of the tax
13 imposed pursuant to Section 8-1, less a discount which is
14 allowed to reimburse the manufacturer or importing distributor
15 for the expenses incurred in keeping and maintaining records,
16 preparing and filing the electronic returns, remitting the tax,
17 and supplying data to the Department upon request.

18 The discount shall be in an amount as follows:

19 (1) For original returns due on or after January 1,
20 2003 through September 30, 2003, the discount shall be
21 1.75% or \$1,250 per return, whichever is less;

22 (2) For original returns due on or after October 1,
23 2003 through September 30, 2004, the discount shall be 2%
24 or \$3,000 per return, whichever is less; and

25 (3) For original returns due on or after October 1,
26 2004, the discount shall be 2% or \$2,000 per return,

1 whichever is less.

2 The Department may, if it deems it necessary in order to
3 insure the payment of the tax imposed by this Article, require
4 returns to be made more frequently than and covering periods of
5 less than a month. Such return shall contain such further
6 information as the Department may reasonably require.

7 It shall be presumed that all alcoholic liquors acquired or
8 made by any importing distributor or manufacturer have been
9 sold or used by him in this State and are the basis for the tax
10 imposed by this Article unless proven, to the satisfaction of
11 the Department, that such alcoholic liquors are (1) still in
12 the possession of such importing distributor or manufacturer,
13 or (2) prior to the termination of possession have been lost by
14 theft or through unintentional destruction, or (3) that such
15 alcoholic liquors are otherwise exempt from taxation under this
16 Act.

17 If any payment provided for in this Section exceeds the
18 manufacturer's or importing distributor's liabilities under
19 this Act, as shown on an original report, the manufacturer or
20 importing distributor may credit such excess payment against
21 liability subsequently to be remitted to the Department under
22 this Act, in accordance with reasonable rules adopted by the
23 Department. If the Department subsequently determines that all
24 or any part of the credit taken was not actually due to the
25 manufacturer or importing distributor, the manufacturer's or
26 importing distributor's discount shall be reduced by an amount

1 equal to the difference between the discount as applied to the
2 credit taken and that actually due, and the manufacturer or
3 importing distributor shall be liable for penalties and
4 interest on such difference.

5 The Department may require any foreign importer to file
6 monthly information returns, by the 15th day of the month
7 following the month which any such return covers, if the
8 Department determines this to be necessary to the proper
9 performance of the Department's functions and duties under this
10 Act. Such return shall contain such information as the
11 Department may reasonably require.

12 Every manufacturer and importing distributor shall also
13 file, with the Department, a bond in an amount not less than
14 \$1,000 and not to exceed \$100,000 on a form to be approved by,
15 and with a surety or sureties satisfactory to, the Department.
16 Such bond shall be conditioned upon the manufacturer or
17 importing distributor paying to the Department all monies
18 becoming due from such manufacturer or importing distributor
19 under this Article. The Department shall fix the penalty of
20 such bond in each case, taking into consideration the amount of
21 alcoholic liquor expected to be sold and used by such
22 manufacturer or importing distributor, and the penalty fixed by
23 the Department shall be sufficient, in the Department's
24 opinion, to protect the State of Illinois against failure to
25 pay any amount due under this Article, but the amount of the
26 penalty fixed by the Department shall not exceed twice the

1 amount of tax liability of a monthly return, nor shall the
2 amount of such penalty be less than \$1,000. The Department
3 shall notify the Commission of the Department's approval or
4 disapproval of any such manufacturer's or importing
5 distributor's bond, or of the termination or cancellation of
6 any such bond, or of the Department's direction to a
7 manufacturer or importing distributor that he must file
8 additional bond in order to comply with this Section. The
9 Commission shall not issue a license to any applicant for a
10 manufacturer's or importing distributor's license unless the
11 Commission has received a notification from the Department
12 showing that such applicant has filed a satisfactory bond with
13 the Department hereunder and that such bond has been approved
14 by the Department. Failure by any licensed manufacturer or
15 importing distributor to keep a satisfactory bond in effect
16 with the Department or to furnish additional bond to the
17 Department, when required hereunder by the Department to do so,
18 shall be grounds for the revocation or suspension of such
19 manufacturer's or importing distributor's license by the
20 Commission. If a manufacturer or importing distributor fails to
21 pay any amount due under this Article, his bond with the
22 Department shall be deemed forfeited, and the Department may
23 institute a suit in its own name on such bond.

24 After notice and opportunity for a hearing the State
25 Commission may revoke or suspend the license of any
26 manufacturer or importing distributor who fails to comply with

1 the provisions of this Section. Notice of such hearing and the
2 time and place thereof shall be in writing and shall contain a
3 statement of the charges against the licensee. Such notice may
4 be given by United States registered or certified mail with
5 return receipt requested, addressed to the person concerned at
6 his last known address and shall be given not less than 7 days
7 prior to the date fixed for the hearing. An order revoking or
8 suspending a license under the provisions of this Section may
9 be reviewed in the manner provided in Section 7-10 of this Act.
10 No new license shall be granted to a person whose license has
11 been revoked for a violation of this Section or, in case of
12 suspension, shall such suspension be terminated until he has
13 paid to the Department all taxes and penalties which he owes
14 the State under the provisions of this Act.

15 Every manufacturer or importing distributor who has, as
16 verified by the Department, continuously complied with the
17 conditions of the bond under this Act for a period of 2 years
18 shall be considered to be a prior continuous compliance
19 taxpayer. In determining the consecutive period of time for
20 qualification as a prior continuous compliance taxpayer, any
21 consecutive period of time of qualifying compliance
22 immediately prior to the effective date of this amendatory Act
23 of 1987 shall be credited to any manufacturer or importing
24 distributor.

25 A manufacturer or importing distributor that is a prior
26 continuous compliance taxpayer under this Section and becomes a

1 successor as the result of an acquisition, merger, or
2 consolidation of a manufacturer or importing distributor shall
3 be deemed to be a prior continuous compliance taxpayer with
4 respect to the acquired, merged, or consolidated entity.

5 Every prior continuous compliance taxpayer shall be exempt
6 from the bond requirements of this Act until the Department has
7 determined the taxpayer to be delinquent in the filing of any
8 return or deficient in the payment of any tax under this Act.
9 Any taxpayer who fails to pay an admitted or established
10 liability under this Act may also be required to post bond or
11 other acceptable security with the Department guaranteeing the
12 payment of such admitted or established liability.

13 The Department shall discharge any surety and shall release
14 and return any bond or security deposit assigned, pledged or
15 otherwise provided to it by a taxpayer under this Section
16 within 30 days after: (1) such taxpayer becomes a prior
17 continuous compliance taxpayer; or (2) such taxpayer has ceased
18 to collect receipts on which he is required to remit tax to the
19 Department, has filed a final tax return, and has paid to the
20 Department an amount sufficient to discharge his remaining tax
21 liability as determined by the Department under this Act.

22 (Source: P.A. 95-769, eff. 7-29-08.)

23 Section 155. The Energy Assistance Act is amended by
24 changing Section 13 and by adding Section 19 as follows:

1 (305 ILCS 20/13)

2 (Section scheduled to be repealed on January 1, 2025)

3 Sec. 13. Supplemental Low-Income Energy Assistance Fund.

4 (a) The Supplemental Low-Income Energy Assistance Fund is
5 hereby created as a special fund in the State Treasury. The
6 Supplemental Low-Income Energy Assistance Fund is authorized
7 to receive moneys from voluntary donations from individuals,
8 foundations, corporations, and other sources, moneys received
9 pursuant to Section 17, and, by statutory deposit, the moneys
10 collected pursuant to this Section. The Fund is also authorized
11 to receive voluntary donations from individuals, foundations,
12 corporations, and other sources. Subject to appropriation, the
13 Department shall use moneys from the Supplemental Low-Income
14 Energy Assistance Fund for payments to electric or gas public
15 utilities, municipal electric or gas utilities, and electric
16 cooperatives on behalf of their customers who are participants
17 in the program authorized by Sections 4 and 18 of this Act, for
18 the provision of weatherization services and for
19 administration of the Supplemental Low-Income Energy
20 Assistance Fund. The yearly expenditures for weatherization
21 may not exceed 10% of the amount collected during the year
22 pursuant to this Section. The yearly administrative expenses of
23 the Supplemental Low-Income Energy Assistance Fund may not
24 exceed 10% of the amount collected during that year pursuant to
25 this Section, except when unspent funds from the Supplemental
26 Low-Income Energy Assistance Fund are reallocated from a

1 previous year; any unspent balance of the 10% administrative
2 allowance may be utilized for administrative expenses in the
3 year they are reallocated.

4 (b) Notwithstanding the provisions of Section 16-111 of the
5 Public Utilities Act but subject to subsection (k) of this
6 Section, each public utility, electric cooperative, as defined
7 in Section 3.4 of the Electric Supplier Act, and municipal
8 utility, as referenced in Section 3-105 of the Public Utilities
9 Act, that is engaged in the delivery of electricity or the
10 distribution of natural gas within the State of Illinois shall,
11 effective January 1, 1998, assess each of its customer accounts
12 a monthly Energy Assistance Charge for the Supplemental
13 Low-Income Energy Assistance Fund. The delivering public
14 utility, municipal electric or gas utility, or electric or gas
15 cooperative for a self-assessing purchaser remains subject to
16 the collection of the fee imposed by this Section. The monthly
17 charge shall be as follows:

18 (1) \$0.48 per month on each account for residential
19 electric service;

20 (2) \$0.48 per month on each account for residential gas
21 service;

22 (3) \$4.80 per month on each account for non-residential
23 electric service which had less than 10 megawatts of peak
24 demand during the previous calendar year;

25 (4) \$4.80 per month on each account for non-residential
26 gas service which had distributed to it less than 4,000,000

1 therms of gas during the previous calendar year;

2 (5) \$360 per month on each account for non-residential
3 electric service which had 10 megawatts or greater of peak
4 demand during the previous calendar year; and

5 (6) \$360 per month on each account for non-residential
6 gas service which had 4,000,000 or more therms of gas
7 distributed to it during the previous calendar year.

8 The incremental change to such charges imposed by this
9 amendatory Act of the 96th General Assembly shall not (i) be
10 used for any purpose other than to directly assist customers
11 and (ii) be applicable to utilities serving less than 100,000
12 customers in Illinois on January 1, 2009.

13 In addition, electric and gas utilities have committed, and
14 shall contribute, a one-time payment of \$22 million to the
15 Fund, within 10 days after the effective date of the tariffs
16 established pursuant to Sections 16-111.8 and 19-145 of the
17 Public Utilities Act to be used for the Department's cost of
18 implementing the programs described in Section 18 of this
19 amendatory Act of the 96th General Assembly, the Arrearage
20 Reduction Program described in Section 18, and the programs
21 described in Section 8-105 of the Public Utilities Act. If a
22 utility elects not to file a rider within 90 days after the
23 effective date of this amendatory Act of the 96th General
24 Assembly, then the contribution from such utility shall be made
25 no later than February 1, 2010.

26 (c) For purposes of this Section:

1 (1) "residential electric service" means electric
2 utility service for household purposes delivered to a
3 dwelling of 2 or fewer units which is billed under a
4 residential rate, or electric utility service for
5 household purposes delivered to a dwelling unit or units
6 which is billed under a residential rate and is registered
7 by a separate meter for each dwelling unit;

8 (2) "residential gas service" means gas utility
9 service for household purposes distributed to a dwelling of
10 2 or fewer units which is billed under a residential rate,
11 or gas utility service for household purposes distributed
12 to a dwelling unit or units which is billed under a
13 residential rate and is registered by a separate meter for
14 each dwelling unit;

15 (3) "non-residential electric service" means electric
16 utility service which is not residential electric service;
17 and

18 (4) "non-residential gas service" means gas utility
19 service which is not residential gas service.

20 (d) Within 30 days after the effective date of this
21 amendatory Act of the 96th General Assembly, each public
22 utility engaged in the delivery of electricity or the
23 distribution of natural gas shall file with the Illinois
24 Commerce Commission tariffs incorporating the Energy
25 Assistance Charge in other charges stated in such tariffs,
26 which shall become effective no later than the beginning of the

1 first billing cycle following such filing.

2 (e) The Energy Assistance Charge assessed by electric and
3 gas public utilities shall be considered a charge for public
4 utility service.

5 (f) By the 20th day of the month following the month in
6 which the charges imposed by the Section were collected, each
7 public utility, municipal utility, and electric cooperative
8 shall remit to the Department of Revenue all moneys received as
9 payment of the Energy Assistance Charge on a return prescribed
10 and furnished by the Department of Revenue showing such
11 information as the Department of Revenue may reasonably
12 require; provided, however, that a utility offering an
13 Arrearage Reduction Program or Supplemental Arrearage
14 Reduction Program pursuant to Section 18 of this Act shall be
15 entitled to net those amounts necessary to fund and recover the
16 costs of such Programs as authorized by that Section that is no
17 more than the incremental change in such Energy Assistance
18 Charge authorized by Public Act 96-33. If a customer makes a
19 partial payment, a public utility, municipal utility, or
20 electric cooperative may elect either: (i) to apply such
21 partial payments first to amounts owed to the utility or
22 cooperative for its services and then to payment for the Energy
23 Assistance Charge or (ii) to apply such partial payments on a
24 pro-rata basis between amounts owed to the utility or
25 cooperative for its services and to payment for the Energy
26 Assistance Charge.

1 If any payment provided for in this Section exceeds the
2 distributor's liabilities under this Act, as shown on an
3 original return, the Department may authorize the distributor
4 to credit such excess payment against liability subsequently to
5 be remitted to the Department under this Act, in accordance
6 with reasonable rules adopted by the Department. If the
7 Department subsequently determines that all or any part of the
8 credit taken was not actually due to the distributor, the
9 distributor's discount shall be reduced by an amount equal to
10 the difference between the discount as applied to the credit
11 taken and that actually due, and that distributor shall be
12 liable for penalties and interest on such difference.

13 (g) The Department of Revenue shall deposit into the
14 Supplemental Low-Income Energy Assistance Fund all moneys
15 remitted to it in accordance with subsection (f) of this
16 Section; provided, however, that the amounts remitted by each
17 utility shall be used to provide assistance to that utility's
18 customers. The utilities shall coordinate with the Department
19 to establish an equitable and practical methodology for
20 implementing this subsection (g) beginning with the 2010
21 program year.

22 (h) On or before December 31, 2002, the Department shall
23 prepare a report for the General Assembly on the expenditure of
24 funds appropriated from the Low-Income Energy Assistance Block
25 Grant Fund for the program authorized under Section 4 of this
26 Act.

1 (i) The Department of Revenue may establish such rules as
2 it deems necessary to implement this Section.

3 (j) The Department of Commerce and Economic Opportunity may
4 establish such rules as it deems necessary to implement this
5 Section.

6 (k) The charges imposed by this Section shall only apply to
7 customers of municipal electric or gas utilities and electric
8 or gas cooperatives if the municipal electric or gas utility or
9 electric or gas cooperative makes an affirmative decision to
10 impose the charge. If a municipal electric or gas utility or an
11 electric cooperative makes an affirmative decision to impose
12 the charge provided by this Section, the municipal electric or
13 gas utility or electric cooperative shall inform the Department
14 of Revenue in writing of such decision when it begins to impose
15 the charge. If a municipal electric or gas utility or electric
16 or gas cooperative does not assess this charge, the Department
17 may not use funds from the Supplemental Low-Income Energy
18 Assistance Fund to provide benefits to its customers under the
19 program authorized by Section 4 of this Act.

20 In its use of federal funds under this Act, the Department
21 may not cause a disproportionate share of those federal funds
22 to benefit customers of systems which do not assess the charge
23 provided by this Section.

24 This Section is repealed on January 1, 2025 unless renewed
25 by action of the General Assembly.

26 (Source: P.A. 98-429, eff. 8-16-13; 99-457, eff. 1-1-16;

1 99-906, eff. 6-1-17; 99-933, eff. 1-27-17; revised 11-8-17.)

2 (305 ILCS 20/19 new)

3 Sec. 19. Application of Retailers' Occupation Tax
4 provisions. All the provisions of Sections 4, 5, 5a, 5b, 5c,
5 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12,
6 and 13 of the Retailers' Occupation Tax Act that are not
7 inconsistent with this Act apply, as far as practicable, to the
8 surcharge imposed by this Act to the same extent as if those
9 provisions were included in this Act. References in the
10 incorporated Sections of the Retailers' Occupation Tax Act to
11 retailers, to sellers, or to persons engaged in the business of
12 selling tangible personal property mean persons required to
13 remit the charge imposed under this Act.

14 Section 160. The Environmental Protection Act is amended by
15 changing Section 55.10 as follows:

16 (415 ILCS 5/55.10) (from Ch. 111 1/2, par. 1055.10)

17 Sec. 55.10. Tax returns by retailer.

18 (a) Except as otherwise provided in this Section, for
19 returns due on or before January 31, 2010, each retailer of
20 tires maintaining a place of business in this State shall make
21 a return to the Department of Revenue on a quarter annual
22 basis, with the return for January, February and March of a
23 given year being due by April 30 of that year; with the return

1 for April, May and June of a given year being due by July 31 of
2 that year; with the return for July, August and September of a
3 given year being due by October 31 of that year; and with the
4 return for October, November and December of a given year being
5 due by January 31 of the following year.

6 For returns due after January 31, 2010, each retailer of
7 tires maintaining a place of business in this State shall make
8 a return to the Department of Revenue on a quarter annual
9 basis, with the return for January, February, and March of a
10 given year being due by April 20 of that year; with the return
11 for April, May, and June of a given year being due by July 20 of
12 that year; with the return for July, August, and September of a
13 given year being due by October 20 of that year; and with the
14 return for October, November, and December of a given year
15 being due by January 20 of the following year.

16 Notwithstanding any other provision of this Section to the
17 contrary, the return for October, November, and December of
18 2009 is due by February 20, 2010.

19 On and after January 1, 2018, tire retailers and suppliers
20 required to file electronically under Section 3 of the
21 Retailers' Occupation Tax Act or Section 9 of the Use Tax Act
22 must electronically file all returns pursuant to this Act. Tire
23 retailers and suppliers who demonstrate that they do not have
24 access to the Internet or demonstrate hardship in filing
25 electronically may petition the Department to waive the
26 electronic filing requirement.

1 (b) Each return made to the Department of Revenue shall
2 state:

3 (1) the name of the retailer;

4 (2) the address of the retailer's principal place of
5 business, and the address of the principal place of
6 business (if that is a different address) from which the
7 retailer engages in the business of making retail sales of
8 tires;

9 (3) total number of tires sold at retail for the
10 preceding calendar quarter;

11 (4) the amount of tax due; and

12 (5) such other reasonable information as the
13 Department of Revenue may require.

14 If any payment provided for in this Section exceeds the
15 retailer's liabilities under this Act, as shown on an original
16 return, the retailer may credit such excess payment against
17 liability subsequently to be remitted to the Department under
18 this Act, in accordance with reasonable rules adopted by the
19 Department. If the Department subsequently determines that all
20 or any part of the credit taken was not actually due to the
21 retailer, the retailer's discount shall be reduced by the
22 monetary amount of the discount applicable to the difference
23 between the credit taken and that actually due, and the
24 retailer shall be liable for penalties and interest on such
25 difference.

26 Notwithstanding any other provision of this Act concerning

1 the time within which a retailer may file his return, in the
2 case of any retailer who ceases to engage in the retail sale of
3 tires, the retailer shall file a final return under this Act
4 with the Department of Revenue not more than one month after
5 discontinuing that business.

6 (Source: P.A. 100-303, eff. 8-24-17.)

7 Section 165. The Environmental Impact Fee Law is amended by
8 changing Section 315 as follows:

9 (415 ILCS 125/315)

10 (Section scheduled to be repealed on January 1, 2025)

11 Sec. 315. Fee on receivers of fuel for sale or use;
12 collection and reporting. A person that is required to pay the
13 fee imposed by this Law shall pay the fee to the Department by
14 return showing all fuel purchased, acquired, or received and
15 sold, distributed or used during the preceding calendar month,
16 including losses of fuel as the result of evaporation or
17 shrinkage due to temperature variations, and such other
18 reasonable information as the Department may require. Losses of
19 fuel as the result of evaporation or shrinkage due to
20 temperature variations may not exceed 1% of the total gallons
21 in storage at the beginning of the month, plus the receipts of
22 gallonage during the month, minus the gallonage remaining in
23 storage at the end of the month. Any loss reported that is in
24 excess of this amount shall be subject to the fee imposed by

1 Section 310 of this Law. On and after July 1, 2001, for each
2 6-month period January through June, net losses of fuel (for
3 each category of fuel that is required to be reported on a
4 return) as the result of evaporation or shrinkage due to
5 temperature variations may not exceed 1% of the total gallons
6 in storage at the beginning of each January, plus the receipts
7 of gallonage each January through June, minus the gallonage
8 remaining in storage at the end of each June. On and after July
9 1, 2001, for each 6-month period July through December, net
10 losses of fuel (for each category of fuel that is required to
11 be reported on a return) as the result of evaporation or
12 shrinkage due to temperature variations may not exceed 1% of
13 the total gallons in storage at the beginning of each July,
14 plus the receipts of gallonage each July through December,
15 minus the gallonage remaining in storage at the end of each
16 December. Any net loss reported that is in excess of this
17 amount shall be subject to the fee imposed by Section 310 of
18 this Law. For purposes of this Section, "net loss" means the
19 number of gallons gained through temperature variations minus
20 the number of gallons lost through temperature variations or
21 evaporation for each of the respective 6-month periods.

22 The return shall be prescribed by the Department and shall
23 be filed between the 1st and 20th days of each calendar month.
24 The Department may, in its discretion, combine the return filed
25 under this Law with the return filed under Section 2b of the
26 Motor Fuel Tax Law. If the return is timely filed, the receiver

1 may take a discount of 2% through June 30, 2003 and 1.75%
2 thereafter to reimburse himself for the expenses incurred in
3 keeping records, preparing and filing returns, collecting and
4 remitting the fee, and supplying data to the Department on
5 request. However, the discount applies only to the amount of
6 the fee payment that accompanies a return that is timely filed
7 in accordance with this Section.

8 If any payment provided for in this Section exceeds the
9 receiver's liabilities under this Act, as shown on an original
10 return, the Department may authorize the receiver to credit
11 such excess payment against liability subsequently to be
12 remitted to the Department under this Act, in accordance with
13 reasonable rules adopted by the Department. If the Department
14 subsequently determines that all or any part of the credit
15 taken was not actually due to the receiver, the receiver's
16 discount shall be reduced by an amount equal to the difference
17 between the discount as applied to the credit taken and that
18 actually due, and that receiver shall be liable for penalties
19 and interest on such difference.

20 (Source: P.A. 92-30, eff. 7-1-01; 93-32, eff. 6-20-03.)

21 Section 170. The Drycleaner Environmental Response Trust
22 Fund Act is amended by changing Section 65 as follows:

23 (415 ILCS 135/65)

24 (Section scheduled to be repealed on January 1, 2020)

1 Sec. 65. Drycleaning solvent tax.

2 (a) On and after January 1, 1998, a tax is imposed upon the
3 use of drycleaning solvent by a person engaged in the business
4 of operating a drycleaning facility in this State at the rate
5 of \$3.50 per gallon of perchloroethylene or other chlorinated
6 drycleaning solvents used in drycleaning operations, \$0.35 per
7 gallon of petroleum-based drycleaning solvent, and \$1.75 per
8 gallon of green solvents, unless the green solvent is used at a
9 virgin facility, in which case the rate is \$0.35 per gallon.
10 The Council shall determine by rule which products are
11 chlorine-based solvents, which products are petroleum-based
12 solvents, and which products are green solvents. All
13 drycleaning solvents shall be considered chlorinated solvents
14 unless the Council determines that the solvents are
15 petroleum-based drycleaning solvents or green solvents.

16 (b) The tax imposed by this Act shall be collected from the
17 purchaser at the time of sale by a seller of drycleaning
18 solvents maintaining a place of business in this State and
19 shall be remitted to the Department of Revenue under the
20 provisions of this Act.

21 (c) The tax imposed by this Act that is not collected by a
22 seller of drycleaning solvents shall be paid directly to the
23 Department of Revenue by the purchaser or end user who is
24 subject to the tax imposed by this Act.

25 (d) No tax shall be imposed upon the use of drycleaning
26 solvent if the drycleaning solvent will not be used in a

1 drycleaning facility or if a floor stock tax has been imposed
2 and paid on the drycleaning solvent. Prior to the purchase of
3 the solvent, the purchaser shall provide a written and signed
4 certificate to the drycleaning solvent seller stating:

5 (1) the name and address of the purchaser;

6 (2) the purchaser's signature and date of signing; and

7 (3) one of the following:

8 (A) that the drycleaning solvent will not be used
9 in a drycleaning facility; or

10 (B) that a floor stock tax has been imposed and
11 paid on the drycleaning solvent.

12 (e) On January 1, 1998, there is imposed on each operator
13 of a drycleaning facility a tax on drycleaning solvent held by
14 the operator on that date for use in a drycleaning facility.
15 The tax imposed shall be the tax that would have been imposed
16 under subsection (a) if the drycleaning solvent held by the
17 operator on that date had been purchased by the operator during
18 the first year of this Act.

19 (f) On or before the 25th day of the 1st month following
20 the end of the calendar quarter, a seller of drycleaning
21 solvents who has collected a tax pursuant to this Section
22 during the previous calendar quarter, or a purchaser or end
23 user of drycleaning solvents required under subsection (c) to
24 submit the tax directly to the Department, shall file a return
25 with the Department of Revenue. The return shall be filed on a
26 form prescribed by the Department of Revenue and shall contain

1 information that the Department of Revenue reasonably
2 requires, but at a minimum will require the reporting of the
3 volume of drycleaning solvent sold to each licensed drycleaner.
4 The Department of Revenue shall report quarterly to the Council
5 the volume of drycleaning solvent purchased for the quarter by
6 each licensed drycleaner. Each seller of drycleaning solvent
7 maintaining a place of business in this State who is required
8 or authorized to collect the tax imposed by this Act shall pay
9 to the Department the amount of the tax at the time when he or
10 she is required to file his or her return for the period during
11 which the tax was collected. Purchasers or end users remitting
12 the tax directly to the Department under subsection (c) shall
13 file a return with the Department of Revenue and pay the tax so
14 incurred by the purchaser or end user during the preceding
15 calendar quarter.

16 Except as provided in this Section, the seller of
17 drycleaning solvents filing the return under this Section
18 shall, at the time of filing the return, pay to the Department
19 the amount of tax imposed by this Act less a discount of 1.75%,
20 or \$5 per calendar year, whichever is greater. Failure to
21 timely file the returns and provide to the Department the data
22 requested under this Act will result in disallowance of the
23 reimbursement discount.

24 (g) The tax on drycleaning solvents used in drycleaning
25 facilities and the floor stock tax shall be administered by
26 Department of Revenue under rules adopted by that Department.

1 (h) On and after January 1, 1998, no person shall knowingly
2 sell or transfer drycleaning solvent to an operator of a
3 drycleaning facility that is not licensed by the Council under
4 Section 60.

5 (i) The Department of Revenue may adopt rules as necessary
6 to implement this Section.

7 (j) If any payment provided for in this Section exceeds the
8 seller's liabilities under this Act, as shown on an original
9 return, the seller may credit such excess payment against
10 liability subsequently to be remitted to the Department under
11 this Act, in accordance with reasonable rules adopted by the
12 Department. If the Department subsequently determines that all
13 or any part of the credit taken was not actually due to the
14 seller, the seller's discount shall be reduced by an amount
15 equal to the difference between the discount as applied to the
16 credit taken and that actually due, and the seller shall be
17 liable for penalties and interest on such difference.

18 (Source: P.A. 96-774, eff. 1-1-10.)

19 Section 995. No acceleration or delay. Where this Act makes
20 changes in a statute that is represented in this Act by text
21 that is not yet or no longer in effect (for example, a Section
22 represented by multiple versions), the use of that text does
23 not accelerate or delay the taking effect of (i) the changes
24 made by this Act or (ii) provisions derived from any other
25 Public Act.

1 Section 999. Effective date. This Act takes effect upon
2 becoming law.

1	INDEX	
2	Statutes amended in order of appearance	
3	20 ILCS 687/6-5	
4	20 ILCS 687/6-8 new	
5	20 ILCS 715/10 rep.	
6	20 ILCS 2505/2505-210	was 20 ILCS 2505/39c-1
7	30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
8	35 ILCS 5/703A new	
9	35 ILCS 5/901	from Ch. 120, par. 9-901
10	35 ILCS 105/3-5	
11	35 ILCS 105/3-5.5	
12	35 ILCS 105/9	from Ch. 120, par. 439.9
13	35 ILCS 105/10	from Ch. 120, par. 439.10
14	35 ILCS 110/3-5	
15	35 ILCS 110/3-5.5	
16	35 ILCS 110/9	from Ch. 120, par. 439.39
17	35 ILCS 115/3-5	
18	35 ILCS 115/3-5.5	
19	35 ILCS 115/9	from Ch. 120, par. 439.109
20	35 ILCS 120/2-5	
21	35 ILCS 120/2-5.5	
22	35 ILCS 120/3	from Ch. 120, par. 442
23	35 ILCS 120/5j	from Ch. 120, par. 444j
24	35 ILCS 128/1-40	
25	35 ILCS 130/2	from Ch. 120, par. 453.2

1	35 ILCS 135/3	from Ch. 120, par. 453.33
2	35 ILCS 143/10-30	
3	35 ILCS 145/6	from Ch. 120, par. 481b.36
4	35 ILCS 175/10	
5	35 ILCS 450/2-45	
6	35 ILCS 450/2-50	
7	35 ILCS 505/2b	from Ch. 120, par. 418b
8	35 ILCS 505/5	from Ch. 120, par. 421
9	35 ILCS 505/5a	from Ch. 120, par. 421a
10	35 ILCS 505/13	from Ch. 120, par. 429
11	35 ILCS 505/13a.4	from Ch. 120, par. 429a4
12	35 ILCS 505/13a.5	from Ch. 120, par. 429a5
13	35 ILCS 615/2a.2	from Ch. 120, par. 467.17a.2
14	35 ILCS 615/3	from Ch. 120, par. 467.18
15	35 ILCS 620/2a.2	from Ch. 120, par. 469a.2
16	35 ILCS 630/6	from Ch. 120, par. 2006
17	35 ILCS 640/2-9	
18	35 ILCS 640/2-11	
19	50 ILCS 470/31	
20	55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
21	55 ILCS 5/5-1006.5	
22	55 ILCS 5/5-1006.7	
23	55 ILCS 5/5-1007	from Ch. 34, par. 5-1007
24	55 ILCS 5/5-1008.5	
25	65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
26	65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3

1	65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
2	65 ILCS 5/8-11-1.6	
3	65 ILCS 5/8-11-1.7	
4	65 ILCS 5/8-11-5	from Ch. 24, par. 8-11-5
5	65 ILCS 5/11-74.3-6	
6	70 ILCS 750/25	
7	70 ILCS 1605/30	
8	70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03
9	70 ILCS 3720/4	from Ch. 111 2/3, par. 254
10	230 ILCS 5/27	from Ch. 8, par. 37-27
11	230 ILCS 5/28.1	
12	230 ILCS 20/5	from Ch. 120, par. 1055
13	230 ILCS 25/3	from Ch. 120, par. 1103
14	230 ILCS 30/9	from Ch. 120, par. 1129
15	235 ILCS 5/8-2	from Ch. 43, par. 159
16	305 ILCS 20/13	
17	305 ILCS 20/19 new	
18	415 ILCS 5/55.10	from Ch. 111 1/2, par. 1055.10
19	415 ILCS 125/315	
20	415 ILCS 135/65	