



Sen. John J. Cullerton

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09500SB1429sam004

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1 AMENDMENT TO SENATE BILL 1429

2 AMENDMENT NO. _____. Amend Senate Bill 1429 as follows:

3 on page 333, immediately below line 26, by inserting the
4 following:

5 "Subject to payment of amounts into the Build Illinois
6 Fund, the McCormick Place Expansion Project Fund, and the
7 Energy Infrastructure Fund, pursuant to the preceding
8 paragraphs or in any amendments thereto hereafter enacted,
9 beginning on February 1, 2008 the Department shall each month
10 pay into the Municipality and Local Government Reimbursement
11 Fund from the net revenue realized for the preceding month 1/12
12 of \$11,400,000, which amount is attributable to the change in
13 the definition of "soft drinks" made by the amendatory Act of
14 95th General Assembly."; and

15 on page 383, line 15, after "8-11-6b,", by inserting
16 "8-11-21,"; and

1 on page 445, immediately below line 1, by inserting the
2 following:

3 "(65 ILCS 5/8-11-21)

4 Sec. 8-11-21. Agreements to share or rebate occupation
5 taxes.

6 (a) On and after June 1, 2004, the corporate authorities of
7 a municipality shall not enter into any agreement to share or
8 rebate any portion of retailers' occupation taxes generated by
9 retail sales of tangible personal property if: (1) the tax on
10 those retail sales, absent the agreement, would have been paid
11 to another unit of local government; and (2) the retailer
12 maintains, within that other unit of local government, a retail
13 location from which the tangible personal property is delivered
14 to purchasers, or a warehouse from which the tangible personal
15 property is delivered to purchasers. Any unit of local
16 government denied retailers' occupation tax revenue because of
17 an agreement that violates this Section may file an action in
18 circuit court against only the municipality. Any agreement
19 entered into prior to June 1, 2004 is not affected by this
20 amendatory Act of the 93rd General Assembly. Any unit of local
21 government that prevails in the circuit court action is
22 entitled to damages in the amount of the tax revenue it was
23 denied as a result of the agreement, statutory interest, costs,
24 reasonable attorney's fees, and an amount equal to 50% of the

1 tax.

2 (b) On and after the effective date of this amendatory Act
3 of the 93rd General Assembly, a home rule unit shall not enter
4 into any agreement prohibited by this Section. This Section is
5 a denial and limitation of home rule powers and functions under
6 subsection (g) of Section 6 of Article VII of the Illinois
7 Constitution.

8 (c) Moneys in the Municipality and Local Government
9 Reimbursement Fund may be used only by the Department of
10 Revenue to reimburse municipalities that have entered into
11 agreements to share or rebate a portion of the retailers'
12 occupation tax for the revenue that the municipalities would
13 have received from those agreements but have lost because of
14 the changes made in the sourcing of sales under subsection (c)
15 of Section 2 of the Retailers' Occupation Tax Act, which were
16 made in order for Illinois use and occupation tax laws to
17 comply with the Streamlined Sales and Use Tax Agreement. The
18 moneys from the Fund shall be available to those municipalities
19 to replace the lost revenue and to fulfill agreements made to
20 share or rebate a portion of the retailers' occupation tax.
21 Municipalities with incentive agreements shall receive
22 reimbursement by application to the Department of Revenue in
23 the form and manner that the Department requires by rule.
24 (Source: P.A. 93-920, eff. 8-12-04.)".