



Sen. Sue Rezin

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LRB097 17378 HLH 67084 a

1 AMENDMENT TO SENATE BILL 3664

2 AMENDMENT NO. _____. Amend Senate Bill 3664 on page 1, by
3 replacing line 5 with the following:

4 "3-5, 3-10, 3-85, and 9 as follows:"; and

5 on page 3, by replacing line 4 with the following:

6 "~~2004 through August 30, 2014~~, graphic arts"; and

7 on page 3, line 12, after the period, by inserting "This
8 paragraph is exempt from the provisions of Section 3-90."; and

9 on page 7, by replacing line 4 with the following:

10 "(18) Manufacturing"; and

11 on page 17, by deleting lines 9 through 15; and

12 on page 19, by replacing line 15 with the following:

13 "~~2004 through August 30, 2014~~, graphic arts"; and

1 on page 19, line 23, after the period, by inserting "This
2 paragraph is exempt from the provisions of Section 3-90."; and

3 on page 23, by replacing line 15 with the following:

4 "(18) Manufacturing"; and

5 on page 33, by deleting lines 20 through 26; and

6 on page 34, immediately below line 4, by inserting the
7 following:

8 "(35 ILCS 105/3-10)

9 (Text of Section before amendment by P.A. 97-636)

10 Sec. 3-10. Rate of tax. Unless otherwise provided in this
11 Section, the tax imposed by this Act is at the rate of 6.25% of
12 either the selling price or the fair market value, if any, of
13 the tangible personal property. In all cases where property
14 functionally used or consumed is the same as the property that
15 was purchased at retail, then the tax is imposed on the selling
16 price of the property. In all cases where property functionally
17 used or consumed is a by-product or waste product that has been
18 refined, manufactured, or produced from property purchased at
19 retail, then the tax is imposed on the lower of the fair market
20 value, if any, of the specific property so used in this State
21 or on the selling price of the property purchased at retail.

1 For purposes of this Section "fair market value" means the
2 price at which property would change hands between a willing
3 buyer and a willing seller, neither being under any compulsion
4 to buy or sell and both having reasonable knowledge of the
5 relevant facts. The fair market value shall be established by
6 Illinois sales by the taxpayer of the same property as that
7 functionally used or consumed, or if there are no such sales by
8 the taxpayer, then comparable sales or purchases of property of
9 like kind and character in Illinois.

10 Beginning on July 1, 2000 and through December 31, 2000,
11 with respect to motor fuel, as defined in Section 1.1 of the
12 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
13 the Use Tax Act, the tax is imposed at the rate of 1.25%.

14 Beginning on August 6, 2010 through August 15, 2010, with
15 respect to sales tax holiday items as defined in Section 3-6 of
16 this Act, the tax is imposed at the rate of 1.25%.

17 With respect to gasohol, the tax imposed by this Act
18 applies to (i) 70% of the proceeds of sales made on or after
19 January 1, 1990, and before July 1, 2003, (ii) 80% of the
20 proceeds of sales made on or after July 1, 2003 and on or
21 before December 31, 2013, and (iii) 100% of the proceeds of
22 sales made thereafter. If, at any time, however, the tax under
23 this Act on sales of gasohol is imposed at the rate of 1.25%,
24 then the tax imposed by this Act applies to 100% of the
25 proceeds of sales of gasohol made during that time.

26 With respect to majority blended ethanol fuel, the tax

1 imposed by this Act does not apply to the proceeds of sales
2 made on or after July 1, 2003 and on or before December 31,
3 2013 but applies to 100% of the proceeds of sales made
4 thereafter.

5 With respect to biodiesel blends with no less than 1% and
6 no more than 10% biodiesel, the tax imposed by this Act applies
7 to (i) 80% of the proceeds of sales made on or after July 1,
8 2003 and on or before December 31, 2013 and (ii) 100% of the
9 proceeds of sales made thereafter. If, at any time, however,
10 the tax under this Act on sales of biodiesel blends with no
11 less than 1% and no more than 10% biodiesel is imposed at the
12 rate of 1.25%, then the tax imposed by this Act applies to 100%
13 of the proceeds of sales of biodiesel blends with no less than
14 1% and no more than 10% biodiesel made during that time.

15 With respect to 100% biodiesel and biodiesel blends with
16 more than 10% but no more than 99% biodiesel, the tax imposed
17 by this Act does not apply to the proceeds of sales made on or
18 after July 1, 2003 and on or before December 31, 2013 but
19 applies to 100% of the proceeds of sales made thereafter.

20 Beginning on January 1, 2013, and through December 31,
21 2022, with respect to tangible personal property that is
22 incorporated into real estate within a manufacturing or graphic
23 arts facility, used or consumed in research and development, or
24 used or consumed in the manufacturing or graphic arts process,
25 including, but not limited to, the following activities:
26 preproduction or postproduction material handling, quality

1 control, inventory control, storage, staging and packaging for
2 shipping and transportation, the tax is imposed at the rate of
3 1.25%.

4 With respect to 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) and prescription and
8 nonprescription medicines, drugs, medical appliances,
9 modifications to a motor vehicle for the purpose of rendering
10 it usable by a disabled person, and insulin, urine testing
11 materials, syringes, and needles used by diabetics, for human
12 use, the tax is imposed at the rate of 1%. For the purposes of
13 this Section, until September 1, 2009: the term "soft drinks"
14 means any complete, finished, ready-to-use, non-alcoholic
15 drink, whether carbonated or not, including but not limited to
16 soda water, cola, fruit juice, vegetable juice, carbonated
17 water, and all other preparations commonly known as soft drinks
18 of whatever kind or description that are contained in any
19 closed or sealed bottle, can, carton, or container, regardless
20 of size; but "soft drinks" does not include coffee, tea,
21 non-carbonated water, infant formula, milk or milk products as
22 defined in the Grade A Pasteurized Milk and Milk Products Act,
23 or drinks containing 50% or more natural fruit or vegetable
24 juice.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "soft drinks" means non-alcoholic

1 beverages that contain natural or artificial sweeteners. "Soft
2 drinks" do not include beverages that contain milk or milk
3 products, soy, rice or similar milk substitutes, or greater
4 than 50% of vegetable or fruit juice by volume.

5 Until August 1, 2009, and notwithstanding any other
6 provisions of this Act, "food for human consumption that is to
7 be consumed off the premises where it is sold" includes all
8 food sold through a vending machine, except soft drinks and
9 food products that are dispensed hot from a vending machine,
10 regardless of the location of the vending machine. Beginning
11 August 1, 2009, and notwithstanding any other provisions of
12 this Act, "food for human consumption that is to be consumed
13 off the premises where it is sold" includes all food sold
14 through a vending machine, except soft drinks, candy, and food
15 products that are dispensed hot from a vending machine,
16 regardless of the location of the vending machine.

17 Notwithstanding any other provisions of this Act,
18 beginning September 1, 2009, "food for human consumption that
19 is to be consumed off the premises where it is sold" does not
20 include candy. For purposes of this Section, "candy" means a
21 preparation of sugar, honey, or other natural or artificial
22 sweeteners in combination with chocolate, fruits, nuts or other
23 ingredients or flavorings in the form of bars, drops, or
24 pieces. "Candy" does not include any preparation that contains
25 flour or requires refrigeration.

26 Notwithstanding any other provisions of this Act,

1 beginning September 1, 2009, "nonprescription medicines and
2 drugs" does not include grooming and hygiene products. For
3 purposes of this Section, "grooming and hygiene products"
4 includes, but is not limited to, soaps and cleaning solutions,
5 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
6 lotions and screens, unless those products are available by
7 prescription only, regardless of whether the products meet the
8 definition of "over-the-counter-drugs". For the purposes of
9 this paragraph, "over-the-counter-drug" means a drug for human
10 use that contains a label that identifies the product as a drug
11 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
12 label includes:

13 (A) A "Drug Facts" panel; or

14 (B) A statement of the "active ingredient(s)" with a
15 list of those ingredients contained in the compound,
16 substance or preparation.

17 If the property that is purchased at retail from a retailer
18 is acquired outside Illinois and used outside Illinois before
19 being brought to Illinois for use here and is taxable under
20 this Act, the "selling price" on which the tax is computed
21 shall be reduced by an amount that represents a reasonable
22 allowance for depreciation for the period of prior out-of-state
23 use.

24 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
25 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10.)

1 (Text of Section after amendment by P.A. 97-636)

2 Sec. 3-10. Rate of tax. Unless otherwise provided in this
3 Section, the tax imposed by this Act is at the rate of 6.25% of
4 either the selling price or the fair market value, if any, of
5 the tangible personal property. In all cases where property
6 functionally used or consumed is the same as the property that
7 was purchased at retail, then the tax is imposed on the selling
8 price of the property. In all cases where property functionally
9 used or consumed is a by-product or waste product that has been
10 refined, manufactured, or produced from property purchased at
11 retail, then the tax is imposed on the lower of the fair market
12 value, if any, of the specific property so used in this State
13 or on the selling price of the property purchased at retail.
14 For purposes of this Section "fair market value" means the
15 price at which property would change hands between a willing
16 buyer and a willing seller, neither being under any compulsion
17 to buy or sell and both having reasonable knowledge of the
18 relevant facts. The fair market value shall be established by
19 Illinois sales by the taxpayer of the same property as that
20 functionally used or consumed, or if there are no such sales by
21 the taxpayer, then comparable sales or purchases of property of
22 like kind and character in Illinois.

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24 with respect to motor fuel, as defined in Section 1.1 of the
25 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
26 the Use Tax Act, the tax is imposed at the rate of 1.25%.

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2 respect to sales tax holiday items as defined in Section 3-6 of
3 this Act, the tax is imposed at the rate of 1.25%.

4 With respect to gasohol, the tax imposed by this Act
5 applies to (i) 70% of the proceeds of sales made on or after
6 January 1, 1990, and before July 1, 2003, (ii) 80% of the
7 proceeds of sales made on or after July 1, 2003 and on or
8 before December 31, 2018, and (iii) 100% of the proceeds of
9 sales made thereafter. If, at any time, however, the tax under
10 this Act on sales of gasohol is imposed at the rate of 1.25%,
11 then the tax imposed by this Act applies to 100% of the
12 proceeds of sales of gasohol made during that time.

13 With respect to majority blended ethanol fuel, the tax
14 imposed by this Act does not apply to the proceeds of sales
15 made on or after July 1, 2003 and on or before December 31,
16 2018 but applies to 100% of the proceeds of sales made
17 thereafter.

18 With respect to biodiesel blends with no less than 1% and
19 no more than 10% biodiesel, the tax imposed by this Act applies
20 to (i) 80% of the proceeds of sales made on or after July 1,
21 2003 and on or before December 31, 2018 and (ii) 100% of the
22 proceeds of sales made thereafter. If, at any time, however,
23 the tax under this Act on sales of biodiesel blends with no
24 less than 1% and no more than 10% biodiesel is imposed at the
25 rate of 1.25%, then the tax imposed by this Act applies to 100%
26 of the proceeds of sales of biodiesel blends with no less than

1 1% and no more than 10% biodiesel made during that time.

2 With respect to 100% biodiesel and biodiesel blends with
3 more than 10% but no more than 99% biodiesel, the tax imposed
4 by this Act does not apply to the proceeds of sales made on or
5 after July 1, 2003 and on or before December 31, 2018 but
6 applies to 100% of the proceeds of sales made thereafter.

7 Beginning on January 1, 2013, and through December 31,
8 2022, with respect to tangible personal property that is
9 incorporated into real estate within a manufacturing or graphic
10 arts facility, used or consumed in research and development, or
11 used or consumed in the manufacturing or graphic arts process,
12 including, but not limited to, the following activities:
13 preproduction or postproduction material handling, quality
14 control, inventory control, storage, staging and packaging for
15 shipping and transportation, the tax is imposed at the rate of
16 1.25%.

17 With respect to food for human consumption that is to be
18 consumed off the premises where it is sold (other than
19 alcoholic beverages, soft drinks, and food that has been
20 prepared for immediate consumption) and prescription and
21 nonprescription medicines, drugs, medical appliances,
22 modifications to a motor vehicle for the purpose of rendering
23 it usable by a disabled person, and insulin, urine testing
24 materials, syringes, and needles used by diabetics, for human
25 use, the tax is imposed at the rate of 1%. For the purposes of
26 this Section, until September 1, 2009: the term "soft drinks"

1 means any complete, finished, ready-to-use, non-alcoholic
2 drink, whether carbonated or not, including but not limited to
3 soda water, cola, fruit juice, vegetable juice, carbonated
4 water, and all other preparations commonly known as soft drinks
5 of whatever kind or description that are contained in any
6 closed or sealed bottle, can, carton, or container, regardless
7 of size; but "soft drinks" does not include coffee, tea,
8 non-carbonated water, infant formula, milk or milk products as
9 defined in the Grade A Pasteurized Milk and Milk Products Act,
10 or drinks containing 50% or more natural fruit or vegetable
11 juice.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "soft drinks" means non-alcoholic
14 beverages that contain natural or artificial sweeteners. "Soft
15 drinks" do not include beverages that contain milk or milk
16 products, soy, rice or similar milk substitutes, or greater
17 than 50% of vegetable or fruit juice by volume.

18 Until August 1, 2009, and notwithstanding any other
19 provisions of this Act, "food for human consumption that is to
20 be consumed off the premises where it is sold" includes all
21 food sold through a vending machine, except soft drinks and
22 food products that are dispensed hot from a vending machine,
23 regardless of the location of the vending machine. Beginning
24 August 1, 2009, and notwithstanding any other provisions of
25 this Act, "food for human consumption that is to be consumed
26 off the premises where it is sold" includes all food sold

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

4 Notwithstanding any other provisions of this Act,
5 beginning September 1, 2009, "food for human consumption that
6 is to be consumed off the premises where it is sold" does not
7 include candy. For purposes of this Section, "candy" means a
8 preparation of sugar, honey, or other natural or artificial
9 sweeteners in combination with chocolate, fruits, nuts or other
10 ingredients or flavorings in the form of bars, drops, or
11 pieces. "Candy" does not include any preparation that contains
12 flour or requires refrigeration.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "nonprescription medicines and
15 drugs" does not include grooming and hygiene products. For
16 purposes of this Section, "grooming and hygiene products"
17 includes, but is not limited to, soaps and cleaning solutions,
18 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
19 lotions and screens, unless those products are available by
20 prescription only, regardless of whether the products meet the
21 definition of "over-the-counter-drugs". For the purposes of
22 this paragraph, "over-the-counter-drug" means a drug for human
23 use that contains a label that identifies the product as a drug
24 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
25 label includes:

26 (A) A "Drug Facts" panel; or

1 (B) A statement of the "active ingredient(s)" with a
2 list of those ingredients contained in the compound,
3 substance or preparation.

4 If the property that is purchased at retail from a retailer
5 is acquired outside Illinois and used outside Illinois before
6 being brought to Illinois for use here and is taxable under
7 this Act, the "selling price" on which the tax is computed
8 shall be reduced by an amount that represents a reasonable
9 allowance for depreciation for the period of prior out-of-state
10 use.

11 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
12 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
13 97-636, eff. 6-1-12.)"; and

14 on page 51, immediately below line 4, by inserting the
15 following:

16 "(35 ILCS 105/9) (from Ch. 120, par. 439.9)

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

1 per calendar year, whichever is greater, which is allowed to
2 reimburse the retailer for expenses incurred in collecting the
3 tax, keeping records, preparing and filing returns, remitting
4 the tax and supplying data to the Department on request. In the
5 case of retailers who report and pay the tax on a transaction
6 by transaction basis, as provided in this Section, such
7 discount shall be taken with each such tax remittance instead
8 of when such retailer files his periodic return. A retailer
9 need not remit that part of any tax collected by him to the
10 extent that he is required to remit and does remit the tax
11 imposed by the Retailers' Occupation Tax Act, with respect to
12 the sale of the same property.

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

23 Except as provided in this Section, on or before the
24 twentieth day of each calendar month, such retailer shall file
25 a return for the preceding calendar month. Such return shall be
26 filed on forms prescribed by the Department and shall furnish

1 such information as the Department may reasonably require.

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

9 1. The name of the seller;

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

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

18 4. The amount of credit provided in Section 2d of this
19 Act;

20 5. The amount of tax due;

21 5-5. The signature of the taxpayer; and

22 6. Such other reasonable information as the Department
23 may require.

24 If a taxpayer fails to sign a return within 30 days after
25 the proper notice and demand for signature by the Department,
26 the return shall be considered valid and any amount shown to be

1 due on the return shall be deemed assessed.

2 Beginning October 1, 1993, a taxpayer who has an average
3 monthly tax liability of \$150,000 or more shall make all
4 payments required by rules of the Department by electronic
5 funds transfer. Beginning October 1, 1994, a taxpayer who has
6 an average monthly tax liability of \$100,000 or more shall make
7 all payments required by rules of the Department by electronic
8 funds transfer. Beginning October 1, 1995, a taxpayer who has
9 an average monthly tax liability of \$50,000 or more shall make
10 all payments required by rules of the Department by electronic
11 funds transfer. Beginning October 1, 2000, a taxpayer who has
12 an annual tax liability of \$200,000 or more shall make all
13 payments required by rules of the Department by electronic
14 funds transfer. The term "annual tax liability" shall be the
15 sum of the taxpayer's liabilities under this Act, and under all
16 other State and local occupation and use tax laws administered
17 by the Department, for the immediately preceding calendar year.
18 The term "average monthly tax liability" means the sum of the
19 taxpayer's liabilities under this Act, and under all other
20 State and local occupation and use tax laws administered by the
21 Department, for the immediately preceding calendar year
22 divided by 12. Beginning on October 1, 2002, a taxpayer who has
23 a tax liability in the amount set forth in subsection (b) of
24 Section 2505-210 of the Department of Revenue Law shall make
25 all payments required by rules of the Department by electronic
26 funds transfer.

1 Before August 1 of each year beginning in 1993, the
2 Department shall notify all taxpayers required to make payments
3 by electronic funds transfer. All taxpayers required to make
4 payments by electronic funds transfer shall make those payments
5 for a minimum of one year beginning on October 1.

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

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

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

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

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

1 or after January 1, 1988, and prior to January 1, 1989, or
2 begins on or after January 1, 1996, each payment shall be in an
3 amount equal to 22.5% of the taxpayer's actual liability for
4 the month or 25% of the taxpayer's liability for the same
5 calendar month of the preceding year. If the month during which
6 such tax liability is incurred begins on or after January 1,
7 1989, and prior to January 1, 1996, each payment shall be in an
8 amount equal to 22.5% of the taxpayer's actual liability for
9 the month or 25% of the taxpayer's liability for the same
10 calendar month of the preceding year or 100% of the taxpayer's
11 actual liability for the quarter monthly reporting period. The
12 amount of such quarter monthly payments shall be credited
13 against the final tax liability of the taxpayer's return for
14 that month. Before October 1, 2000, once applicable, the
15 requirement of the making of quarter monthly payments to the
16 Department shall continue until such taxpayer's average
17 monthly liability to the Department during the preceding 4
18 complete calendar quarters (excluding the month of highest
19 liability and the month of lowest liability) is less than
20 \$9,000, or until such taxpayer's average monthly liability to
21 the Department as computed for each calendar quarter of the 4
22 preceding complete calendar quarter period is less than
23 \$10,000. However, if a taxpayer can show the Department that a
24 substantial change in the taxpayer's business has occurred
25 which causes the taxpayer to anticipate that his average
26 monthly tax liability for the reasonably foreseeable future

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

1 Department in excess of the minimum payments previously due as
2 provided in this Section. The Department shall make reasonable
3 rules and regulations to govern the quarter monthly payment
4 amount and quarter monthly payment dates for taxpayers who file
5 on other than a calendar monthly basis.

6 If any such payment provided for in this Section exceeds
7 the taxpayer's liabilities under this Act, the Retailers'
8 Occupation Tax Act, the Service Occupation Tax Act and the
9 Service Use Tax Act, as shown by an original monthly return,
10 the Department shall issue to the taxpayer a credit memorandum
11 no later than 30 days after the date of payment, which
12 memorandum may be submitted by the taxpayer to the Department
13 in payment of tax liability subsequently to be remitted by the
14 taxpayer to the Department or be assigned by the taxpayer to a
15 similar taxpayer under this Act, the Retailers' Occupation Tax
16 Act, the Service Occupation Tax Act or the Service Use Tax Act,
17 in accordance with reasonable rules and regulations to be
18 prescribed by the Department, except that if such excess
19 payment is shown on an original monthly return and is made
20 after December 31, 1986, no credit memorandum shall be issued,
21 unless requested by the taxpayer. If no such request is made,
22 the taxpayer may credit such excess payment against tax
23 liability subsequently to be remitted by the taxpayer to the
24 Department under this Act, the Retailers' Occupation Tax Act,
25 the Service Occupation Tax Act or the Service Use Tax Act, in
26 accordance with reasonable rules and regulations prescribed by

1 the Department. If the Department subsequently determines that
2 all or any part of the credit taken was not actually due to the
3 taxpayer, the taxpayer's 2.1% or 1.75% vendor's discount shall
4 be reduced by 2.1% or 1.75% of the difference between the
5 credit taken and that actually due, and the taxpayer shall be
6 liable for penalties and interest on such difference.

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

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

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

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

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

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

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

26 The transaction reporting return in the case of watercraft

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

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

1 applications for title or registration.

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

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

23 If the user who would otherwise pay tax to the retailer
24 wants the transaction reporting return filed and the payment of
25 tax or proof of exemption made to the Department before the
26 retailer is willing to take these actions and such user has not

1 paid the tax to the retailer, such user may certify to the fact
2 of such delay by the retailer, and may (upon the Department
3 being satisfied of the truth of such certification) transmit
4 the information required by the transaction reporting return
5 and the remittance for tax or proof of exemption directly to
6 the Department and obtain his tax receipt or exemption
7 determination, in which event the transaction reporting return
8 and tax remittance (if a tax payment was required) shall be
9 credited by the Department to the proper retailer's account
10 with the Department, but without the 2.1% or 1.75% discount
11 provided for in this Section being allowed. When the user pays
12 the tax directly to the Department, he shall pay the tax in the
13 same amount and in the same form in which it would be remitted
14 if the tax had been remitted to the Department by the retailer.

15 Where a retailer collects the tax with respect to the
16 selling price of tangible personal property which he sells and
17 the purchaser thereafter returns such tangible personal
18 property and the retailer refunds the selling price thereof to
19 the purchaser, such retailer shall also refund, to the
20 purchaser, the tax so collected from the purchaser. When filing
21 his return for the period in which he refunds such tax to the
22 purchaser, the retailer may deduct the amount of the tax so
23 refunded by him to the purchaser from any other use tax which
24 such retailer may be required to pay or remit to the
25 Department, as shown by such return, if the amount of the tax
26 to be deducted was previously remitted to the Department by

1 such retailer. If the retailer has not previously remitted the
2 amount of such tax to the Department, he is entitled to no
3 deduction under this Act upon refunding such tax to the
4 purchaser.

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

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

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

24 Beginning January 1, 1990, each month the Department shall
25 pay into the State and Local Sales Tax Reform Fund, a special
26 fund in the State Treasury which is hereby created, the net

1 revenue realized for the preceding month from the 1% tax on
2 sales of food for human consumption which is to be consumed off
3 the premises where it is sold (other than alcoholic beverages,
4 soft drinks and food which has been prepared for immediate
5 consumption) and prescription and nonprescription medicines,
6 drugs, medical appliances and insulin, urine testing
7 materials, syringes and needles used by diabetics.

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

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

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

1 September 1, 2010, each month the Department shall pay into the
2 State and Local Sales Tax Reform Fund 100% of the net revenue
3 realized for the preceding month from the 1.25% rate on the
4 selling price of sales tax holiday items. Beginning January 1,
5 2013, each month the Department shall pay into the State and
6 Local Sales Tax Reform Fund 100% of the net revenue realized
7 for the preceding month from the 1.25% rate on tangible
8 personal property that is incorporated into real estate within
9 a manufacturing or graphic arts facility, used or consumed in
10 research and development, or used or consumed in the
11 manufacturing or graphic arts process.

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 is now taxed at 6.25%.

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

1 into the Clean Air Act (CAA) 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 (CAA) Permit Fund under this Act
7 and the Retailers' Occupation Tax Act shall not exceed
8 \$2,000,000 in any fiscal year.

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

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

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

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

1 provided under Section 8.25f of the State Finance Act, but not
2 in excess of the sums designated as "Total Deposit", shall be
3 deposited in the aggregate from collections under Section 9 of
4 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
5 9 of the Service Occupation Tax Act, and Section 3 of the
6 Retailers' Occupation Tax Act into the McCormick Place
7 Expansion Project Fund in the specified fiscal years.

8	Fiscal Year	Total Deposit
9	1993	\$0
10	1994	53,000,000
11	1995	58,000,000
12	1996	61,000,000
13	1997	64,000,000
14	1998	68,000,000
15	1999	71,000,000
16	2000	75,000,000
17	2001	80,000,000
18	2002	93,000,000
19	2003	99,000,000
20	2004	103,000,000
21	2005	108,000,000
22	2006	113,000,000
23	2007	119,000,000
24	2008	126,000,000
25	2009	132,000,000
26	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, the Department shall each
22 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
23 the net revenue realized for the preceding month from the 6.25%
24 general rate on the selling price of tangible personal
25 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 Of the remainder of the moneys received by the Department
14 pursuant to this Act, 75% thereof shall be paid into the State
15 Treasury and 25% shall be reserved in a special account and
16 used only for the transfer to the Common School Fund as part of
17 the monthly transfer from the General Revenue Fund in
18 accordance with Section 8a of the State Finance Act.

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

26 Net revenue realized for a month shall be the revenue

1 collected by the State pursuant to this Act, less the amount
2 paid out during that month as refunds to taxpayers for
3 overpayment of liability.

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

11 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
12 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
13 97-333, eff. 8-12-11.)"; and

14 on page 51, by replacing line 6 with the following:

15 "Sections 3-5, 3-10, 3-70, and 9 as follows:"; and

16 by deleting everything from line 7 on page 51 through line 5 on
17 page 64; and

18 on page 65, by replacing line 15 with the following:

19 "2004 ~~through August 30, 2014,~~ graphic arts"; and

20 on page 65, line 23, after the period, by inserting "This
21 paragraph is exempt from the provisions of Section 3-75."; and

1 on page 77, by deleting lines 15 through 21; and

2 on page 79, by replacing line 8 with the following:

3 "~~2004 through August 30, 2014~~, graphic arts"; and

4 on page 79, line 16, after the period, by inserting "This
5 paragraph is exempt from the provisions of Section 3-75."; and

6 on page 91, by deleting lines 8 through 14; and

7 on page 91, immediately below line 18, by inserting the
8 following:

9 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

10 (Text of Section before amendment by P.A. 97-636)

11 Sec. 3-10. Rate of tax. Unless otherwise provided in this
12 Section, the tax imposed by this Act is at the rate of 6.25% of
13 the selling price of tangible personal property transferred as
14 an incident to the sale of service, but, for the purpose of
15 computing this tax, in no event shall the selling price be less
16 than the cost price of the property to the serviceman.

17 Beginning on July 1, 2000 and through December 31, 2000,
18 with respect to motor fuel, as defined in Section 1.1 of the
19 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
20 the Use Tax Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, as defined in the Use Tax Act, the

1 tax imposed by this Act applies to (i) 70% of the selling price
2 of property transferred as an incident to the sale of service
3 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
4 of the selling price of property transferred as an incident to
5 the sale of service on or after July 1, 2003 and on or before
6 December 31, 2013, and (iii) 100% of the selling price
7 thereafter. If, at any time, however, the tax under this Act on
8 sales of gasohol, as defined in the Use Tax Act, is imposed at
9 the rate of 1.25%, then the tax imposed by this Act applies to
10 100% of the proceeds of sales of gasohol made during that time.

11 With respect to majority blended ethanol fuel, as defined
12 in the Use Tax Act, the tax imposed by this Act does not apply
13 to the selling price of property transferred as an incident to
14 the sale of service on or after July 1, 2003 and on or before
15 December 31, 2013 but applies to 100% of the selling price
16 thereafter.

17 With respect to biodiesel blends, as defined in the Use Tax
18 Act, with no less than 1% and no more than 10% biodiesel, the
19 tax imposed by this Act applies to (i) 80% of the selling price
20 of property transferred as an incident to the sale of service
21 on or after July 1, 2003 and on or before December 31, 2013 and
22 (ii) 100% of the proceeds of the selling price thereafter. If,
23 at any time, however, the tax under this Act on sales of
24 biodiesel blends, as defined in the Use Tax Act, with no less
25 than 1% and no more than 10% biodiesel is imposed at the rate
26 of 1.25%, then the tax imposed by this Act applies to 100% of

1 the proceeds of sales of biodiesel blends with no less than 1%
2 and no more than 10% biodiesel made during that time.

3 With respect to 100% biodiesel, as defined in the Use Tax
4 Act, and biodiesel blends, as defined in the Use Tax Act, with
5 more than 10% but no more than 99% biodiesel, the tax imposed
6 by this Act does not apply to the proceeds of the selling price
7 of property transferred as an incident to the sale of service
8 on or after July 1, 2003 and on or before December 31, 2013 but
9 applies to 100% of the selling price thereafter.

10 Beginning on January 1, 2013, and through December 31,
11 2022, with respect to tangible personal property that is
12 incorporated into real estate within a manufacturing or graphic
13 arts facility, used or consumed in research and development, or
14 used or consumed in the manufacturing or graphic arts process,
15 including, but not limited to, the following activities:
16 preproduction or postproduction material handling, quality
17 control, inventory control, storage, staging and packaging for
18 shipping and transportation, the tax is imposed at the rate of
19 1.25%.

20 At the election of any registered serviceman made for each
21 fiscal year, sales of service in which the aggregate annual
22 cost price of tangible personal property transferred as an
23 incident to the sales of service is less than 35%, or 75% in
24 the case of servicemen transferring prescription drugs or
25 servicemen engaged in graphic arts production, of the aggregate
26 annual total gross receipts from all sales of service, the tax

1 imposed by this Act shall be based on the serviceman's cost
2 price of the tangible personal property transferred as an
3 incident to the sale of those services.

4 The tax shall be imposed at the rate of 1% on food prepared
5 for immediate consumption and transferred incident to a sale of
6 service subject to this Act or the Service Occupation Tax Act
7 by an entity licensed under the Hospital Licensing Act, the
8 Nursing Home Care Act, the ID/DD Community Care Act, the
9 Specialized Mental Health Rehabilitation Act, or the Child Care
10 Act of 1969. The tax shall also be imposed at the rate of 1% on
11 food for human consumption that is to be consumed off the
12 premises where it is sold (other than alcoholic beverages, soft
13 drinks, and food that has been prepared for immediate
14 consumption and is not otherwise included in this paragraph)
15 and prescription and nonprescription medicines, drugs, medical
16 appliances, modifications to a motor vehicle for the purpose of
17 rendering it usable by a disabled person, and insulin, urine
18 testing materials, syringes, and needles used by diabetics, for
19 human use. For the purposes of this Section, until September 1,
20 2009: the term "soft drinks" means any complete, finished,
21 ready-to-use, non-alcoholic drink, whether carbonated or not,
22 including but not limited to soda water, cola, fruit juice,
23 vegetable juice, carbonated water, and all other preparations
24 commonly known as soft drinks of whatever kind or description
25 that are contained in any closed or sealed bottle, can, carton,
26 or container, regardless of size; but "soft drinks" does not

1 include coffee, tea, non-carbonated water, infant formula,
2 milk or milk products as defined in the Grade A Pasteurized
3 Milk and Milk Products Act, or drinks containing 50% or more
4 natural fruit or vegetable juice.

5 Notwithstanding any other provisions of this Act,
6 beginning September 1, 2009, "soft drinks" means non-alcoholic
7 beverages that contain natural or artificial sweeteners. "Soft
8 drinks" do not include beverages that contain milk or milk
9 products, soy, rice or similar milk substitutes, or greater
10 than 50% of vegetable or fruit juice by volume.

11 Until August 1, 2009, and notwithstanding any other
12 provisions of this Act, "food for human consumption that is to
13 be consumed off the premises where it is sold" includes all
14 food sold through a vending machine, except soft drinks and
15 food products that are dispensed hot from a vending machine,
16 regardless of the location of the vending machine. Beginning
17 August 1, 2009, and notwithstanding any other provisions of
18 this Act, "food for human consumption that is to be consumed
19 off the premises where it is sold" includes all food sold
20 through a vending machine, except soft drinks, candy, and food
21 products that are dispensed hot from a vending machine,
22 regardless of the location of the vending machine.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "food for human consumption that
25 is to be consumed off the premises where it is sold" does not
26 include candy. For purposes of this Section, "candy" means a

1 preparation of sugar, honey, or other natural or artificial
2 sweeteners in combination with chocolate, fruits, nuts or other
3 ingredients or flavorings in the form of bars, drops, or
4 pieces. "Candy" does not include any preparation that contains
5 flour or requires refrigeration.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "nonprescription medicines and
8 drugs" does not include grooming and hygiene products. For
9 purposes of this Section, "grooming and hygiene products"
10 includes, but is not limited to, soaps and cleaning solutions,
11 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
12 lotions and screens, unless those products are available by
13 prescription only, regardless of whether the products meet the
14 definition of "over-the-counter-drugs". For the purposes of
15 this paragraph, "over-the-counter-drug" means a drug for human
16 use that contains a label that identifies the product as a drug
17 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
18 label includes:

19 (A) A "Drug Facts" panel; or

20 (B) A statement of the "active ingredient(s)" with a
21 list of those ingredients contained in the compound,
22 substance or preparation.

23 If the property that is acquired from a serviceman is
24 acquired outside Illinois and used outside Illinois before
25 being brought to Illinois for use here and is taxable under
26 this Act, the "selling price" on which the tax is computed

1 shall be reduced by an amount that represents a reasonable
2 allowance for depreciation for the period of prior out-of-state
3 use.

4 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
5 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
6 eff. 6-28-11; 97-227, eff. 1-1-12; revised 9-12-11.)

7 (Text of Section after amendment by P.A. 97-636)

8 Sec. 3-10. Rate of tax. Unless otherwise provided in this
9 Section, the tax imposed by this Act is at the rate of 6.25% of
10 the selling price of tangible personal property transferred as
11 an incident to the sale of service, but, for the purpose of
12 computing this tax, in no event shall the selling price be less
13 than the cost price of the property to the serviceman.

14 Beginning on July 1, 2000 and through December 31, 2000,
15 with respect to motor fuel, as defined in Section 1.1 of the
16 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
17 the Use Tax Act, the tax is imposed at the rate of 1.25%.

18 With respect to gasohol, as defined in the Use Tax Act, the
19 tax imposed by this Act applies to (i) 70% of the selling price
20 of property transferred as an incident to the sale of service
21 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
22 of the selling price of property transferred as an incident to
23 the sale of service on or after July 1, 2003 and on or before
24 December 31, 2018, and (iii) 100% of the selling price
25 thereafter. If, at any time, however, the tax under this Act on

1 sales of gasohol, as defined in the Use Tax Act, is imposed at
2 the rate of 1.25%, then the tax imposed by this Act applies to
3 100% of the proceeds of sales of gasohol made during that time.

4 With respect to majority blended ethanol fuel, as defined
5 in the Use Tax Act, the tax imposed by this Act does not apply
6 to the selling price of property transferred as an incident to
7 the sale of service on or after July 1, 2003 and on or before
8 December 31, 2018 but applies to 100% of the selling price
9 thereafter.

10 With respect to biodiesel blends, as defined in the Use Tax
11 Act, with no less than 1% and no more than 10% biodiesel, the
12 tax imposed by this Act applies to (i) 80% of the selling price
13 of property transferred as an incident to the sale of service
14 on or after July 1, 2003 and on or before December 31, 2018 and
15 (ii) 100% of the proceeds of the selling price thereafter. If,
16 at any time, however, the tax under this Act on sales of
17 biodiesel blends, as defined in the Use Tax Act, with no less
18 than 1% and no more than 10% biodiesel is imposed at the rate
19 of 1.25%, then the tax imposed by this Act applies to 100% of
20 the proceeds of sales of biodiesel blends with no less than 1%
21 and no more than 10% biodiesel made during that time.

22 With respect to 100% biodiesel, as defined in the Use Tax
23 Act, and biodiesel blends, as defined in the Use Tax Act, with
24 more than 10% but no more than 99% biodiesel, the tax imposed
25 by this Act does not apply to the proceeds of the selling price
26 of property transferred as an incident to the sale of service

1 on or after July 1, 2003 and on or before December 31, 2018 but
2 applies to 100% of the selling price thereafter.

3 Beginning on January 1, 2013, and through December 31,
4 2022, with respect to tangible personal property that is
5 incorporated into real estate within a manufacturing or graphic
6 arts facility, used or consumed in research and development, or
7 used or consumed in the manufacturing or graphic arts process,
8 including, but not limited to, the following activities:
9 preproduction or postproduction material handling, quality
10 control, inventory control, storage, staging and packaging for
11 shipping and transportation, the tax is imposed at the rate of
12 1.25%.

13 At the election of any registered serviceman made for each
14 fiscal year, sales of service in which the aggregate annual
15 cost price of tangible personal property transferred as an
16 incident to the sales of service is less than 35%, or 75% in
17 the case of servicemen transferring prescription drugs or
18 servicemen engaged in graphic arts production, of the aggregate
19 annual total gross receipts from all sales of service, the tax
20 imposed by this Act shall be based on the serviceman's cost
21 price of the tangible personal property transferred as an
22 incident to the sale of those services.

23 The tax shall be imposed at the rate of 1% on food prepared
24 for immediate consumption and transferred incident to a sale of
25 service subject to this Act or the Service Occupation Tax Act
26 by an entity licensed under the Hospital Licensing Act, the

1 Nursing Home Care Act, the ID/DD Community Care Act, the
2 Specialized Mental Health Rehabilitation Act, or the Child Care
3 Act of 1969. The tax shall also be imposed at the rate of 1% on
4 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 and is not otherwise included in this paragraph)
8 and prescription and nonprescription medicines, drugs, medical
9 appliances, modifications to a motor vehicle for the purpose of
10 rendering it usable by a disabled person, and insulin, urine
11 testing materials, syringes, and needles used by diabetics, for
12 human use. For the purposes of this Section, until September 1,
13 2009: the term "soft drinks" means any complete, finished,
14 ready-to-use, non-alcoholic drink, whether carbonated or not,
15 including but not limited to soda water, cola, fruit juice,
16 vegetable juice, carbonated water, and all other preparations
17 commonly known as soft drinks of whatever kind or description
18 that are contained in any closed or sealed bottle, can, carton,
19 or container, regardless of size; but "soft drinks" does not
20 include coffee, tea, non-carbonated water, infant formula,
21 milk or milk products as defined in the Grade A Pasteurized
22 Milk and Milk Products Act, or drinks containing 50% or more
23 natural fruit or vegetable juice.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "soft drinks" means non-alcoholic
26 beverages that contain natural or artificial sweeteners. "Soft

1 drinks" do not include beverages that contain milk or milk
2 products, soy, rice or similar milk substitutes, or greater
3 than 50% of vegetable or fruit juice by volume.

4 Until August 1, 2009, and notwithstanding any other
5 provisions of this Act, "food for human consumption that is to
6 be consumed off the premises where it is sold" includes all
7 food sold through a vending machine, except soft drinks and
8 food products that are dispensed hot from a vending machine,
9 regardless of the location of the vending machine. Beginning
10 August 1, 2009, and notwithstanding any other provisions of
11 this Act, "food for human consumption that is to be consumed
12 off the premises where it is sold" includes all food sold
13 through a vending machine, except soft drinks, candy, and food
14 products that are dispensed hot from a vending machine,
15 regardless of the location of the vending machine.

16 Notwithstanding any other provisions of this Act,
17 beginning September 1, 2009, "food for human consumption that
18 is to be consumed off the premises where it is sold" does not
19 include candy. For purposes of this Section, "candy" means a
20 preparation of sugar, honey, or other natural or artificial
21 sweeteners in combination with chocolate, fruits, nuts or other
22 ingredients or flavorings in the form of bars, drops, or
23 pieces. "Candy" does not include any preparation that contains
24 flour or requires refrigeration.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "nonprescription medicines and

1 drugs" does not include grooming and hygiene products. For
2 purposes of this Section, "grooming and hygiene products"
3 includes, but is not limited to, soaps and cleaning solutions,
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
5 lotions and screens, unless those products are available by
6 prescription only, regardless of whether the products meet the
7 definition of "over-the-counter-drugs". For the purposes of
8 this paragraph, "over-the-counter-drug" means a drug for human
9 use that contains a label that identifies the product as a drug
10 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
11 label includes:

12 (A) A "Drug Facts" panel; or

13 (B) A statement of the "active ingredient(s)" with a
14 list of those ingredients contained in the compound,
15 substance or preparation.

16 If the property that is acquired from a serviceman is
17 acquired outside Illinois and used outside Illinois before
18 being brought to Illinois for use here and is taxable under
19 this Act, the "selling price" on which the tax is computed
20 shall be reduced by an amount that represents a reasonable
21 allowance for depreciation for the period of prior out-of-state
22 use.

23 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
24 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
25 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)"; and

1 on page 109, immediately below line 19, by inserting the
2 following:

3 "(35 ILCS 110/9) (from Ch. 120, par. 439.39)

4 Sec. 9. Each serviceman required or authorized to collect
5 the tax herein imposed shall pay to the Department the amount
6 of such tax (except as otherwise provided) at the time when he
7 is required to file his return for the period during which such
8 tax was collected, less a discount of 2.1% prior to January 1,
9 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
10 year, whichever is greater, which is allowed to reimburse the
11 serviceman for expenses incurred in collecting the tax, keeping
12 records, preparing and filing returns, remitting the tax and
13 supplying data to the Department on request. A serviceman need
14 not remit that part of any tax collected by him to the extent
15 that he is required to pay and does pay the tax imposed by the
16 Service Occupation Tax Act with respect to his sale of service
17 involving the incidental transfer by him of the same property.

18 Except as provided hereinafter in this Section, on or
19 before the twentieth day of each calendar month, such
20 serviceman shall file a return for the preceding calendar month
21 in accordance with reasonable Rules and Regulations to be
22 promulgated by the Department. Such return shall be filed on a
23 form prescribed by the Department and shall contain such
24 information as the Department may reasonably require.

25 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 business as a serviceman in this State;

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

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

16 5. The amount of tax due;

17 5-5. The signature of the taxpayer; and

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

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

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

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

23 Before August 1 of each year beginning in 1993, the
24 Department shall notify all taxpayers required to make payments
25 by electronic funds transfer. All taxpayers required to make
26 payments by electronic funds transfer shall make those payments

1 for a minimum of one year beginning on October 1.

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

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

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

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

23 If the serviceman is otherwise required to file a monthly
24 or quarterly return and if the serviceman's average monthly tax
25 liability to the Department does not exceed \$50, the Department
26 may authorize his returns to be filed on an annual basis, with

1 the return for a given year being due by January 20 of the
2 following year.

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

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

13 Where a serviceman collects the tax with respect to the
14 selling price of property which he sells and the purchaser
15 thereafter returns such property and the serviceman refunds the
16 selling price thereof to the purchaser, such serviceman shall
17 also refund, to the purchaser, the tax so collected from the
18 purchaser. When filing his return for the period in which he
19 refunds such tax to the purchaser, the serviceman may deduct
20 the amount of the tax so refunded by him to the purchaser from
21 any other Service Use Tax, Service Occupation Tax, retailers'
22 occupation tax or use tax which such serviceman may be required
23 to pay or remit to the Department, as shown by such return,
24 provided that the amount of the tax to be deducted shall
25 previously have been remitted to the Department by such
26 serviceman. If the serviceman shall not previously have

1 remitted the amount of such tax to the Department, he shall be
2 entitled to no deduction hereunder upon refunding such tax to
3 the purchaser.

4 Any serviceman filing a return hereunder shall also include
5 the total tax upon the selling price of tangible personal
6 property purchased for use by him as an incident to a sale of
7 service, and such serviceman shall remit the amount of such tax
8 to the Department when filing such return.

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

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

20 Beginning January 1, 1990, each month the Department shall
21 pay into the State and Local Tax Reform Fund, a special fund in
22 the State Treasury, the net revenue realized for the preceding
23 month from the 1% tax on sales of food for human consumption
24 which is to be consumed off the premises where it is sold
25 (other than alcoholic beverages, soft drinks and food which has
26 been 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.

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 January 1, 2013, 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 tangible personal property that is incorporated into
19 real estate within a manufacturing or graphic arts facility,
20 used or consumed in research and development, or used or
21 consumed in the manufacturing or graphic arts process.

22 Beginning October 1, 2009, each month the Department shall
23 pay into the Capital Projects Fund an amount that is equal to
24 an amount estimated by the Department to represent 80% of the
25 net revenue realized for the preceding month from the sale of
26 candy, grooming and hygiene products, and soft drinks that had

1 been taxed at a rate of 1% prior to September 1, 2009 but that
2 is now taxed at 6.25%.

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	246,000,000
7	2022	260,000,000
8	2023	275,000,000
9	2024	275,000,000
10	2025	275,000,000
11	2026	279,000,000
12	2027	292,000,000
13	2028	307,000,000
14	2029	322,000,000
15	2030	338,000,000
16	2031	350,000,000
17	2032	350,000,000

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

26 Beginning July 20, 1993 and in each month of each fiscal

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

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

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

1 Infrastructure Fund 80% of the net revenue realized from the
2 6.25% general rate on the selling price of Illinois-mined coal
3 that was sold to an eligible business. For purposes of this
4 paragraph, the term "eligible business" means a new electric
5 generating facility certified pursuant to Section 605-332 of
6 the Department of Commerce and Economic Opportunity Law of the
7 Civil Administrative Code of Illinois.

8 All remaining moneys received by the Department pursuant to
9 this Act shall be paid into the General Revenue Fund of the
10 State Treasury.

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

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

22 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
23 eff. 5-27-10.)"; and

24 on page 109, by replacing line 21 with the following:

25 "changing Sections 3-5, 3-10, and 9 as follows:"; and

1 by deleting everything from line 22 on page 109 through line 26
2 on page 118; and

3 on page 120, by replacing line 11 with the following:

4 "~~2004 through August 30, 2014~~, graphic arts"; and

5 on page 120, line 19, after the period, by inserting "This
6 paragraph is exempt from the provisions of Section 3-55."; and

7 on page 131, by deleting lines 1 through 7; and

8 on page 132, by replacing line 20 with the following:

9 "~~2004 through August 30, 2014~~, graphic arts"; and

10 on page 133, line 2, after the period, by inserting "This
11 paragraph is exempt from the provisions of Section 3-55."; and

12 on page 143, by deleting lines 10 through 16; and

13 on page 143, immediately below line 20, by inserting the
14 following:

15 "(35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)

16 (Text of Section before amendment by P.A. 97-636)

17 Sec. 3-10. Rate of tax. Unless otherwise provided in this

1 Section, the tax imposed by this Act is at the rate of 6.25% of
2 the "selling price", as defined in Section 2 of the Service Use
3 Tax Act, of the tangible personal property. For the purpose of
4 computing this tax, in no event shall the "selling price" be
5 less than the cost price to the serviceman of the tangible
6 personal property transferred. The selling price of each item
7 of tangible personal property transferred as an incident of a
8 sale of service may be shown as a distinct and separate item on
9 the serviceman's billing to the service customer. If the
10 selling price is not so shown, the selling price of the
11 tangible personal property is deemed to be 50% of the
12 serviceman's entire billing to the service customer. When,
13 however, a serviceman contracts to design, develop, and produce
14 special order machinery or equipment, the tax imposed by this
15 Act shall be based on the serviceman's cost price of the
16 tangible personal property transferred incident to the
17 completion of the contract.

18 Beginning on July 1, 2000 and through December 31, 2000,
19 with respect to motor fuel, as defined in Section 1.1 of the
20 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
21 the Use Tax Act, the tax is imposed at the rate of 1.25%.

22 With respect to gasohol, as defined in the Use Tax Act, the
23 tax imposed by this Act shall apply to (i) 70% of the cost
24 price of property transferred as an incident to the sale of
25 service on or after January 1, 1990, and before July 1, 2003,
26 (ii) 80% of the selling price of property transferred as an

1 incident to the sale of service on or after July 1, 2003 and on
2 or before December 31, 2013, and (iii) 100% of the cost price
3 thereafter. If, at any time, however, the tax under this Act on
4 sales of gasohol, as defined in the Use Tax Act, is imposed at
5 the rate of 1.25%, then the tax imposed by this Act applies to
6 100% of the proceeds of sales of gasohol made during that time.

7 With respect to majority blended ethanol fuel, as defined
8 in the Use Tax Act, the tax imposed by this Act does not apply
9 to the selling price of property transferred as an incident to
10 the sale of service on or after July 1, 2003 and on or before
11 December 31, 2013 but applies to 100% of the selling price
12 thereafter.

13 With respect to biodiesel blends, as defined in the Use Tax
14 Act, with no less than 1% and no more than 10% biodiesel, the
15 tax imposed by this Act applies to (i) 80% of the selling price
16 of property transferred as an incident to the sale of service
17 on or after July 1, 2003 and on or before December 31, 2013 and
18 (ii) 100% of the proceeds of the selling price thereafter. If,
19 at any time, however, the tax under this Act on sales of
20 biodiesel blends, as defined in the Use Tax Act, with no less
21 than 1% and no more than 10% biodiesel is imposed at the rate
22 of 1.25%, then the tax imposed by this Act applies to 100% of
23 the proceeds of sales of biodiesel blends with no less than 1%
24 and no more than 10% biodiesel made during that time.

25 With respect to 100% biodiesel, as defined in the Use Tax
26 Act, and biodiesel blends, as defined in the Use Tax Act, with

1 more than 10% but no more than 99% biodiesel material, the tax
2 imposed by this Act does not apply to the proceeds of the
3 selling price of property transferred as an incident to the
4 sale of service on or after July 1, 2003 and on or before
5 December 31, 2013 but applies to 100% of the selling price
6 thereafter.

7 Beginning on January 1, 2013, and through December 31,
8 2022, with respect to tangible personal property that is
9 incorporated into real estate within a manufacturing or graphic
10 arts facility, used or consumed in research and development, or
11 used or consumed in the manufacturing or graphic arts process,
12 including, but not limited to, the following activities:
13 preproduction or postproduction material handling, quality
14 control, inventory control, storage, staging and packaging for
15 shipping and transportation, the tax is imposed at the rate of
16 1.25%.

17 At the election of any registered serviceman made for each
18 fiscal year, sales of service in which the aggregate annual
19 cost price of tangible personal property transferred as an
20 incident to the sales of service is less than 35%, or 75% in
21 the case of servicemen transferring prescription drugs or
22 servicemen engaged in graphic arts production, of the aggregate
23 annual total gross receipts from all sales of service, the tax
24 imposed by this Act shall be based on the serviceman's cost
25 price of the tangible personal property transferred incident to
26 the sale of those services.

1 The tax shall be imposed at the rate of 1% on food prepared
2 for immediate consumption and transferred incident to a sale of
3 service subject to this Act or the Service Occupation Tax Act
4 by an entity licensed under the Hospital Licensing Act, the
5 Nursing Home Care Act, the ID/DD Community Care Act, the
6 Specialized Mental Health Rehabilitation Act, or the Child Care
7 Act of 1969. The tax shall also be imposed at the rate of 1% on
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 is not otherwise included in this paragraph)
12 and prescription and nonprescription medicines, drugs, medical
13 appliances, modifications to a motor vehicle for the purpose of
14 rendering it usable by a disabled person, and insulin, urine
15 testing materials, syringes, and needles used by diabetics, for
16 human use. For the purposes of this Section, until September 1,
17 2009: the term "soft drinks" means any complete, finished,
18 ready-to-use, non-alcoholic drink, whether carbonated or not,
19 including but not limited to soda water, cola, fruit juice,
20 vegetable juice, carbonated water, and all other preparations
21 commonly known as soft drinks of whatever kind or description
22 that are contained in any closed or sealed can, carton, or
23 container, regardless of size; but "soft drinks" does not
24 include coffee, tea, non-carbonated water, infant formula,
25 milk or milk products as defined in the Grade A Pasteurized
26 Milk and Milk Products Act, or drinks containing 50% or more

1 natural fruit or vegetable juice.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "soft drinks" means non-alcoholic
4 beverages that contain natural or artificial sweeteners. "Soft
5 drinks" do not include beverages that contain milk or milk
6 products, soy, rice or similar milk substitutes, or greater
7 than 50% of vegetable or fruit juice by volume.

8 Until August 1, 2009, and notwithstanding any other
9 provisions of this Act, "food for human consumption that is to
10 be consumed off the premises where it is sold" includes all
11 food sold through a vending machine, except soft drinks and
12 food products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine. Beginning
14 August 1, 2009, and notwithstanding any other provisions of
15 this Act, "food for human consumption that is to be consumed
16 off the premises where it is sold" includes all food sold
17 through a vending machine, except soft drinks, candy, and food
18 products that are dispensed hot from a vending machine,
19 regardless of the location of the vending machine.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "food for human consumption that
22 is to be consumed off the premises where it is sold" does not
23 include candy. For purposes of this Section, "candy" means a
24 preparation of sugar, honey, or other natural or artificial
25 sweeteners in combination with chocolate, fruits, nuts or other
26 ingredients or flavorings in the form of bars, drops, or

1 pieces. "Candy" does not include any preparation that contains
2 flour or requires refrigeration.

3 Notwithstanding any other provisions of this Act,
4 beginning September 1, 2009, "nonprescription medicines and
5 drugs" does not include grooming and hygiene products. For
6 purposes of this Section, "grooming and hygiene products"
7 includes, but is not limited to, soaps and cleaning solutions,
8 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
9 lotions and screens, unless those products are available by
10 prescription only, regardless of whether the products meet the
11 definition of "over-the-counter-drugs". For the purposes of
12 this paragraph, "over-the-counter-drug" means a drug for human
13 use that contains a label that identifies the product as a drug
14 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
15 label includes:

16 (A) A "Drug Facts" panel; or

17 (B) A statement of the "active ingredient(s)" with a
18 list of those ingredients contained in the compound,
19 substance or preparation.

20 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
21 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
22 eff. 6-28-11; 97-227, eff. 1-1-12; revised 9-12-11.)

23 (Text of Section after amendment by P.A. 97-636)

24 Sec. 3-10. Rate of tax. Unless otherwise provided in this
25 Section, the tax imposed by this Act is at the rate of 6.25% of

1 the "selling price", as defined in Section 2 of the Service Use
2 Tax Act, of the tangible personal property. For the purpose of
3 computing this tax, in no event shall the "selling price" be
4 less than the cost price to the serviceman of the tangible
5 personal property transferred. The selling price of each item
6 of tangible personal property transferred as an incident of a
7 sale of service may be shown as a distinct and separate item on
8 the serviceman's billing to the service customer. If the
9 selling price is not so shown, the selling price of the
10 tangible personal property is deemed to be 50% of the
11 serviceman's entire billing to the service customer. When,
12 however, a serviceman contracts to design, develop, and produce
13 special order machinery or equipment, the tax imposed by this
14 Act shall be based on the serviceman's cost price of the
15 tangible personal property transferred incident to the
16 completion of the contract.

17 Beginning on July 1, 2000 and through December 31, 2000,
18 with respect to motor fuel, as defined in Section 1.1 of the
19 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
20 the Use Tax Act, the tax is imposed at the rate of 1.25%.

21 With respect to gasohol, as defined in the Use Tax Act, the
22 tax imposed by this Act shall apply to (i) 70% of the cost
23 price of property transferred as an incident to the sale of
24 service on or after January 1, 1990, and before July 1, 2003,
25 (ii) 80% of the selling price of property transferred as an
26 incident to the sale of service on or after July 1, 2003 and on

1 or before December 31, 2018, and (iii) 100% of the cost price
2 thereafter. If, at any time, however, the tax under this Act on
3 sales of gasohol, as defined in the Use Tax Act, is imposed at
4 the rate of 1.25%, then the tax imposed by this Act applies to
5 100% of the proceeds of sales of gasohol made during that time.

6 With respect to majority blended ethanol fuel, as defined
7 in the Use Tax Act, the tax imposed by this Act does not apply
8 to the selling price of property transferred as an incident to
9 the sale of service on or after July 1, 2003 and on or before
10 December 31, 2018 but applies to 100% of the selling price
11 thereafter.

12 With respect to biodiesel blends, as defined in the Use Tax
13 Act, with no less than 1% and no more than 10% biodiesel, the
14 tax imposed by this Act applies to (i) 80% of the selling price
15 of property transferred as an incident to the sale of service
16 on or after July 1, 2003 and on or before December 31, 2018 and
17 (ii) 100% of the proceeds of the selling price thereafter. If,
18 at any time, however, the tax under this Act on sales of
19 biodiesel blends, as defined in the Use Tax Act, with no less
20 than 1% and no more than 10% biodiesel is imposed at the rate
21 of 1.25%, then the tax imposed by this Act applies to 100% of
22 the proceeds of sales of biodiesel blends with no less than 1%
23 and no more than 10% biodiesel made during that time.

24 With respect to 100% biodiesel, as defined in the Use Tax
25 Act, and biodiesel blends, as defined in the Use Tax Act, with
26 more than 10% but no more than 99% biodiesel material, the tax

1 imposed by this Act does not apply to the proceeds of the
2 selling price of property transferred as an incident to the
3 sale of service on or after July 1, 2003 and on or before
4 December 31, 2018 but applies to 100% of the selling price
5 thereafter.

6 Beginning on January 1, 2013, and through December 31,
7 2022, with respect to tangible personal property that is
8 incorporated into real estate within a manufacturing or graphic
9 arts facility, used or consumed in research and development, or
10 used or consumed in the manufacturing or graphic arts process,
11 including, but not limited to, the following activities:
12 preproduction or postproduction material handling, quality
13 control, inventory control, storage, staging and packaging for
14 shipping and transportation, the tax is imposed at the rate of
15 1.25%.

16 At the election of any registered serviceman made for each
17 fiscal year, sales of service in which the aggregate annual
18 cost price of tangible personal property transferred as an
19 incident to the sales of service is less than 35%, or 75% in
20 the case of servicemen transferring prescription drugs or
21 servicemen engaged in graphic arts production, of the aggregate
22 annual total gross receipts from all sales of service, the tax
23 imposed by this Act shall be based on the serviceman's cost
24 price of the tangible personal property transferred incident to
25 the sale of those services.

26 The tax shall be imposed at the rate of 1% on food prepared

1 for immediate consumption and transferred incident to a sale of
2 service subject to this Act or the Service Occupation Tax Act
3 by an entity licensed under the Hospital Licensing Act, the
4 Nursing Home Care Act, the ID/DD Community Care Act, the
5 Specialized Mental Health Rehabilitation Act, or the Child Care
6 Act of 1969. The tax shall also be imposed at the rate of 1% on
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 is not otherwise included in this paragraph)
11 and prescription and nonprescription medicines, drugs, medical
12 appliances, modifications to a motor vehicle for the purpose of
13 rendering it usable by a disabled person, and insulin, urine
14 testing materials, syringes, and needles used by diabetics, for
15 human use. For the purposes of this Section, until September 1,
16 2009: the term "soft drinks" means any complete, finished,
17 ready-to-use, non-alcoholic drink, whether carbonated or not,
18 including but not limited to soda water, cola, fruit juice,
19 vegetable juice, carbonated water, and all other preparations
20 commonly known as soft drinks of whatever kind or description
21 that are contained in any closed or sealed can, carton, or
22 container, regardless of size; but "soft drinks" does not
23 include coffee, tea, non-carbonated water, infant formula,
24 milk or milk products as defined in the Grade A Pasteurized
25 Milk and Milk Products Act, or drinks containing 50% or more
26 natural fruit or vegetable juice.

1 Notwithstanding any other provisions of this Act,
2 beginning September 1, 2009, "soft drinks" means non-alcoholic
3 beverages that contain natural or artificial sweeteners. "Soft
4 drinks" do not include beverages that contain milk or milk
5 products, soy, rice or similar milk substitutes, or greater
6 than 50% of vegetable or fruit juice by volume.

7 Until August 1, 2009, and notwithstanding any other
8 provisions of this Act, "food for human consumption that is to
9 be consumed off the premises where it is sold" includes all
10 food sold through a vending machine, except soft drinks and
11 food products that are dispensed hot from a vending machine,
12 regardless of the location of the vending machine. Beginning
13 August 1, 2009, and notwithstanding any other provisions of
14 this Act, "food for human consumption that is to be consumed
15 off the premises where it is sold" includes all food sold
16 through a vending machine, except soft drinks, candy, and food
17 products that are dispensed hot from a vending machine,
18 regardless of the location of the vending machine.

19 Notwithstanding any other provisions of this Act,
20 beginning September 1, 2009, "food for human consumption that
21 is to be consumed off the premises where it is sold" does not
22 include candy. For purposes of this Section, "candy" means a
23 preparation of sugar, honey, or other natural or artificial
24 sweeteners in combination with chocolate, fruits, nuts or other
25 ingredients or flavorings in the form of bars, drops, or
26 pieces. "Candy" does not include any preparation that contains

1 flour or requires refrigeration.

2 Notwithstanding any other provisions of this Act,
3 beginning September 1, 2009, "nonprescription medicines and
4 drugs" does not include grooming and hygiene products. For
5 purposes of this Section, "grooming and hygiene products"
6 includes, but is not limited to, soaps and cleaning solutions,
7 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
8 lotions and screens, unless those products are available by
9 prescription only, regardless of whether the products meet the
10 definition of "over-the-counter-drugs". For the purposes of
11 this paragraph, "over-the-counter-drug" means a drug for human
12 use that contains a label that identifies the product as a drug
13 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
14 label includes:

15 (A) A "Drug Facts" panel; or

16 (B) A statement of the "active ingredient(s)" with a
17 list of those ingredients contained in the compound,
18 substance or preparation.

19 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
20 eff. 7-13-09; 96-339, eff. 7-1-10; 96-1000, eff. 7-2-10; 97-38,
21 eff. 6-28-11; 97-227, eff. 1-1-12; 97-636, eff. 6-1-12.)

22 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

23 Sec. 9. Each serviceman required or authorized to collect
24 the tax herein imposed shall pay to the Department the amount
25 of such tax at the time when he is required to file his return

1 for the period during which such tax was collectible, less a
2 discount of 2.1% prior to January 1, 1990, and 1.75% on and
3 after January 1, 1990, or \$5 per calendar year, whichever is
4 greater, which is allowed to reimburse the serviceman for
5 expenses incurred in collecting the tax, keeping records,
6 preparing and filing returns, remitting the tax and supplying
7 data to the Department on request.

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

16 Except as provided hereinafter in this Section, on or
17 before the twentieth day of each calendar month, such
18 serviceman shall file a return for the preceding calendar month
19 in accordance with reasonable rules and regulations to be
20 promulgated by the Department of Revenue. Such return shall be
21 filed on a form prescribed by the Department and shall contain
22 such information as the Department may reasonably require.

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 on sales of food for human
7 consumption which is to be consumed off the premises where it
8 is sold (other than alcoholic beverages, soft drinks and food
9 which has been prepared for immediate consumption) and
10 prescription and nonprescription medicines, drugs, medical
11 appliances and insulin, urine testing materials, syringes and
12 needles used by diabetics.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the County and Mass Transit District Fund 4% of the
15 revenue realized for the preceding month from the 6.25% general
16 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 January 1, 2013, 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
24 tangible personal property that is incorporated into real
25 estate within a manufacturing or graphic arts facility, used or
26 consumed in research and development, or used or consumed in

1 the manufacturing or graphic arts process.

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

6 Beginning August 1, 2000, each month the Department shall
7 pay into the Local Government Tax Fund 80% of the net revenue
8 realized for the preceding month from the 1.25% rate on the
9 selling price of motor fuel and gasohol. Beginning January 1,
10 2013, each month the Department shall pay into the Local
11 Government Tax Fund Fund 80% of the net revenue realized for
12 the preceding month from the 1.25% rate on tangible personal
13 property that is incorporated into real estate within a
14 manufacturing or graphic arts facility, used or consumed in
15 research and development, or used or consumed in the
16 manufacturing or graphic arts process.

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

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the
2 Build Illinois Fund; provided, however, that if in any fiscal
3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
4 may be, of the moneys received by the Department and required
5 to be paid into the Build Illinois Fund pursuant to Section 3
6 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
7 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
8 Service Occupation Tax Act, such Acts being hereinafter called
9 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
10 may be, of moneys being hereinafter called the "Tax Act
11 Amount", and (2) the amount transferred to the Build Illinois
12 Fund from the State and Local Sales Tax Reform Fund shall be
13 less than the Annual Specified Amount (as defined in Section 3
14 of the Retailers' Occupation Tax Act), an amount equal to the
15 difference shall be immediately paid into the Build Illinois
16 Fund from other moneys received by the Department pursuant to
17 the Tax Acts; and further provided, that if on the last
18 business day of any month the sum of (1) the Tax Act Amount
19 required to be deposited into the Build Illinois Account in the
20 Build Illinois Fund during such month and (2) the amount
21 transferred during such month to the Build Illinois Fund from
22 the State and Local Sales Tax Reform Fund shall have been less
23 than 1/12 of the Annual Specified Amount, an amount equal to
24 the difference shall be immediately paid into the Build
25 Illinois Fund from other moneys received by the Department
26 pursuant to the Tax Acts; and, further provided, that in no

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

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

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

23	Fiscal Year	Total Deposit
24	1993	\$0
25	1994	53,000,000

1	1995	58,000,000
2	1996	61,000,000
3	1997	64,000,000
4	1998	68,000,000
5	1999	71,000,000
6	2000	75,000,000
7	2001	80,000,000
8	2002	93,000,000
9	2003	99,000,000
10	2004	103,000,000
11	2005	108,000,000
12	2006	113,000,000
13	2007	119,000,000
14	2008	126,000,000
15	2009	132,000,000
16	2010	139,000,000
17	2011	146,000,000
18	2012	153,000,000
19	2013	161,000,000
20	2014	170,000,000
21	2015	179,000,000
22	2016	189,000,000
23	2017	199,000,000
24	2018	210,000,000
25	2019	221,000,000
26	2020	233,000,000

1	2021	246,000,000
2	2022	260,000,000
3	2023	275,000,000
4	2024	275,000,000
5	2025	275,000,000
6	2026	279,000,000
7	2027	292,000,000
8	2028	307,000,000
9	2029	322,000,000
10	2030	338,000,000
11	2031	350,000,000
12	2032	350,000,000

13 and
14 each fiscal year
15 thereafter that bonds
16 are outstanding under
17 Section 13.2 of the
18 Metropolitan Pier and
19 Exposition Authority Act,
20 but not after fiscal year 2060.

21 Beginning July 20, 1993 and in each month of each fiscal
22 year thereafter, one-eighth of the amount requested in the
23 certificate of the Chairman of the Metropolitan Pier and
24 Exposition Authority for that fiscal year, less the amount
25 deposited into the McCormick Place Expansion Project Fund by
26 the State Treasurer in the respective month under subsection

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

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 July 1, 1993, the Department shall each
12 month pay into the Illinois Tax Increment Fund 0.27% of 80% of
13 the net revenue realized for the preceding month from the 6.25%
14 general rate on the selling price of tangible personal
15 property.

16 Subject to payment of amounts into the Build Illinois Fund
17 and the McCormick Place Expansion Project Fund pursuant to the
18 preceding paragraphs or in any amendments thereto hereafter
19 enacted, beginning with the receipt of the first report of
20 taxes paid by an eligible business and continuing for a 25-year
21 period, the Department shall each month pay into the Energy
22 Infrastructure Fund 80% of the net revenue realized from the
23 6.25% general rate on the selling price of Illinois-mined coal
24 that was sold to an eligible business. For purposes of this
25 paragraph, the term "eligible business" means a new electric
26 generating facility certified pursuant to Section 605-332 of

1 the Department of Commerce and Economic Opportunity Law of the
2 Civil Administrative Code of Illinois.

3 Remaining moneys received by the Department pursuant to
4 this Act shall be paid into the General Revenue Fund of the
5 State Treasury.

6 The Department may, upon separate written notice to a
7 taxpayer, require the taxpayer to prepare and file with the
8 Department on a form prescribed by the Department within not
9 less than 60 days after receipt of the notice an annual
10 information return for the tax year specified in the notice.
11 Such annual return to the Department shall include a statement
12 of gross receipts as shown by the taxpayer's last Federal
13 income tax return. If the total receipts of the business as
14 reported in the Federal income tax return do not agree with the
15 gross receipts reported to the Department of Revenue for the
16 same period, the taxpayer shall attach to his annual return a
17 schedule showing a reconciliation of the 2 amounts and the
18 reasons for the difference. The taxpayer's annual return to the
19 Department shall also disclose the cost of goods sold by the
20 taxpayer during the year covered by such return, opening and
21 closing inventories of such goods for such year, cost of goods
22 used from stock or taken from stock and given away by the
23 taxpayer during such year, pay roll information of the
24 taxpayer's business during such year and any additional
25 reasonable information which the Department deems would be
26 helpful in determining the accuracy of the monthly, quarterly

1 or annual returns filed by such taxpayer as hereinbefore
2 provided for in this Section.

3 If the annual information return required by this Section
4 is not filed when and as required, the taxpayer shall be liable
5 as follows:

6 (i) Until January 1, 1994, the taxpayer shall be liable
7 for a penalty equal to 1/6 of 1% of the tax due from such
8 taxpayer under this Act during the period to be covered by
9 the annual return for each month or fraction of a month
10 until such return is filed as required, the penalty to be
11 assessed and collected in the same manner as any other
12 penalty provided for in this Act.

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

16 The chief executive officer, proprietor, owner or highest
17 ranking manager shall sign the annual return to certify the
18 accuracy of the information contained therein. Any person who
19 willfully signs the annual return containing false or
20 inaccurate information shall be guilty of perjury and punished
21 accordingly. The annual return form prescribed by the
22 Department shall include a warning that the person signing the
23 return may be liable for perjury.

24 The foregoing portion of this Section concerning the filing
25 of an annual information return shall not apply to a serviceman
26 who is not required to file an income tax return with the

1 United States Government.

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

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

13 For greater simplicity of administration, it shall be
14 permissible for manufacturers, importers and wholesalers whose
15 products are sold by numerous servicemen in Illinois, and who
16 wish to do so, to assume the responsibility for accounting and
17 paying to the Department all tax accruing under this Act with
18 respect to such sales, if the servicemen who are affected do
19 not make written objection to the Department to this
20 arrangement.

21 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
22 eff. 5-27-10.); and

23 on page 143, line 22, by replacing "Section 2-5" with "Sections
24 2-5, 2-10, and 3"; and

1 on page 145, by replacing line 21 with the following:

2 "~~2004 through August 30, 2014~~, graphic arts"; and

3 on page 146, line 3, after the period, by inserting "This
4 paragraph is exempt from the provisions of Section 2-70."; and

5 on page 149, by replacing line 17 with the following:

6 "(14) Machinery and"; and

7 on page 162, by deleting lines 13 through 19; and

8 on page 164, by replacing line 20 with the following:

9 "~~2004 through August 30, 2014~~, graphic arts"; and

10 on page 165, line 2, after the period, by inserting "This
11 paragraph is exempt from the provisions of Section 2-70."; and

12 on page 168, by replacing line 16 with the following:

13 "(14) Machinery and"; and

14 on page 181, by deleting lines 12 through 18; and

15 on page 181, immediately below line 22, by inserting the
16 following:

17 "(35 ILCS 120/2-10)

1 (Text of Section before amendment by P.A. 97-636)

2 Sec. 2-10. Rate of tax. Unless otherwise provided in this
3 Section, the tax imposed by this Act is at the rate of 6.25% of
4 gross receipts from sales of tangible personal property made in
5 the course of business.

6 Beginning on July 1, 2000 and through December 31, 2000,
7 with respect to motor fuel, as defined in Section 1.1 of the
8 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
9 the Use Tax Act, the tax is imposed at the rate of 1.25%.

10 Beginning on August 6, 2010 through August 15, 2010, with
11 respect to sales tax holiday items as defined in Section 2-8 of
12 this Act, the tax is imposed at the rate of 1.25%.

13 Within 14 days after the effective date of this amendatory
14 Act of the 91st General Assembly, each retailer of motor fuel
15 and gasohol shall cause the following notice to be posted in a
16 prominently visible place on each retail dispensing device that
17 is used to dispense motor fuel or gasohol in the State of
18 Illinois: "As of July 1, 2000, the State of Illinois has
19 eliminated the State's share of sales tax on motor fuel and
20 gasohol through December 31, 2000. The price on this pump
21 should reflect the elimination of the tax." The notice shall be
22 printed in bold print on a sign that is no smaller than 4
23 inches by 8 inches. The sign shall be clearly visible to
24 customers. Any retailer who fails to post or maintain a
25 required sign through December 31, 2000 is guilty of a petty
26 offense for which the fine shall be \$500 per day per each

1 retail premises where a violation occurs.

2 With respect to gasohol, as defined in the Use Tax Act, the
3 tax imposed by this Act applies to (i) 70% of the proceeds of
4 sales made on or after January 1, 1990, and before July 1,
5 2003, (ii) 80% of the proceeds of sales made on or after July
6 1, 2003 and on or before December 31, 2013, and (iii) 100% of
7 the proceeds of sales made thereafter. If, at any time,
8 however, the tax under this Act on sales of gasohol, as defined
9 in the Use Tax Act, is imposed at the rate of 1.25%, then the
10 tax imposed by this Act applies to 100% of the proceeds of
11 sales of gasohol made during that time.

12 With respect to majority blended ethanol fuel, as defined
13 in the Use Tax Act, the tax imposed by this Act does not apply
14 to the proceeds of sales made on or after July 1, 2003 and on or
15 before December 31, 2013 but applies to 100% of the proceeds of
16 sales made thereafter.

17 With respect to biodiesel blends, as defined in the Use Tax
18 Act, with no less than 1% and no more than 10% biodiesel, the
19 tax imposed by this Act applies to (i) 80% of the proceeds of
20 sales made on or after July 1, 2003 and on or before December
21 31, 2013 and (ii) 100% of the proceeds of sales made
22 thereafter. If, at any time, however, the tax under this Act on
23 sales of biodiesel blends, as defined in the Use Tax Act, with
24 no less than 1% and no more than 10% biodiesel is imposed at
25 the rate of 1.25%, then the tax imposed by this Act applies to
26 100% of the proceeds of sales of biodiesel blends with no less

1 than 1% and no more than 10% biodiesel made during that time.

2 With respect to 100% biodiesel, as defined in the Use Tax
3 Act, and biodiesel blends, as defined in the Use Tax Act, with
4 more than 10% but no more than 99% biodiesel, the tax imposed
5 by this Act does not apply to the proceeds of sales made on or
6 after July 1, 2003 and on or before December 31, 2013 but
7 applies to 100% of the proceeds of sales made thereafter.

8 Beginning on January 1, 2013, and through December 31,
9 2022, with respect to tangible personal property that is
10 incorporated into real estate within a manufacturing or graphic
11 arts facility, used or consumed in research and development, or
12 used or consumed in the manufacturing or graphic arts process,
13 including, but not limited to, the following activities:
14 preproduction or postproduction material handling, quality
15 control, inventory control, storage, staging and packaging for
16 shipping and transportation, the tax is imposed at the rate of
17 1.25%.

18 With respect to food for human consumption that is to be
19 consumed off the premises where it is sold (other than
20 alcoholic beverages, soft drinks, and food that has been
21 prepared for immediate consumption) and prescription and
22 nonprescription medicines, drugs, medical appliances,
23 modifications to a motor vehicle for the purpose of rendering
24 it usable by a disabled person, and insulin, urine testing
25 materials, syringes, and needles used by diabetics, for human
26 use, the tax is imposed at the rate of 1%. For the purposes of

1 this Section, until September 1, 2009: the term "soft drinks"
2 means any complete, finished, ready-to-use, non-alcoholic
3 drink, whether carbonated or not, including but not limited to
4 soda water, cola, fruit juice, vegetable juice, carbonated
5 water, and all other preparations commonly known as soft drinks
6 of whatever kind or description that are contained in any
7 closed or sealed bottle, can, carton, or container, regardless
8 of size; but "soft drinks" does not include coffee, tea,
9 non-carbonated water, infant formula, milk or milk products as
10 defined in the Grade A Pasteurized Milk and Milk Products Act,
11 or drinks containing 50% or more natural fruit or vegetable
12 juice.

13 Notwithstanding any other provisions of this Act,
14 beginning September 1, 2009, "soft drinks" means non-alcoholic
15 beverages that contain natural or artificial sweeteners. "Soft
16 drinks" do not include beverages that contain milk or milk
17 products, soy, rice or similar milk substitutes, or greater
18 than 50% of vegetable or fruit juice by volume.

19 Until August 1, 2009, and notwithstanding any other
20 provisions of this Act, "food for human consumption that is to
21 be consumed off the premises where it is sold" includes all
22 food sold through a vending machine, except soft drinks and
23 food products that are dispensed hot from a vending machine,
24 regardless of the location of the vending machine. Beginning
25 August 1, 2009, and notwithstanding any other provisions of
26 this Act, "food for human consumption that is to be consumed

1 off the premises where it is sold" includes all food sold
2 through a vending machine, except soft drinks, candy, and food
3 products that are dispensed hot from a vending machine,
4 regardless of the location of the vending machine.

5 Notwithstanding any other provisions of this Act,
6 beginning September 1, 2009, "food for human consumption that
7 is to be consumed off the premises where it is sold" does not
8 include candy. For purposes of this Section, "candy" means a
9 preparation of sugar, honey, or other natural or artificial
10 sweeteners in combination with chocolate, fruits, nuts or other
11 ingredients or flavorings in the form of bars, drops, or
12 pieces. "Candy" does not include any preparation that contains
13 flour or requires refrigeration.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "nonprescription medicines and
16 drugs" does not include grooming and hygiene products. For
17 purposes of this Section, "grooming and hygiene products"
18 includes, but is not limited to, soaps and cleaning solutions,
19 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
20 lotions and screens, unless those products are available by
21 prescription only, regardless of whether the products meet the
22 definition of "over-the-counter-drugs". For the purposes of
23 this paragraph, "over-the-counter-drug" means a drug for human
24 use that contains a label that identifies the product as a drug
25 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
26 label includes:

1 (A) A "Drug Facts" panel; or

2 (B) A statement of the "active ingredient(s)" with a
3 list of those ingredients contained in the compound,
4 substance or preparation.

5 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
6 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10.)

7 (Text of Section after amendment by P.A. 97-636)

8 Sec. 2-10. Rate of tax. Unless otherwise provided in this
9 Section, the tax imposed by this Act is at the rate of 6.25% of
10 gross receipts from sales of tangible personal property made in
11 the course of business.

12 Beginning on July 1, 2000 and through December 31, 2000,
13 with respect to motor fuel, as defined in Section 1.1 of the
14 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
15 the Use Tax Act, the tax is imposed at the rate of 1.25%.

16 Beginning on August 6, 2010 through August 15, 2010, with
17 respect to sales tax holiday items as defined in Section 2-8 of
18 this Act, the tax is imposed at the rate of 1.25%.

19 Within 14 days after the effective date of this amendatory
20 Act of the 91st General Assembly, each retailer of motor fuel
21 and gasohol shall cause the following notice to be posted in a
22 prominently visible place on each retail dispensing device that
23 is used to dispense motor fuel or gasohol in the State of
24 Illinois: "As of July 1, 2000, the State of Illinois has
25 eliminated the State's share of sales tax on motor fuel and

1 gasohol through December 31, 2000. The price on this pump
2 should reflect the elimination of the tax." The notice shall be
3 printed in bold print on a sign that is no smaller than 4
4 inches by 8 inches. The sign shall be clearly visible to
5 customers. Any retailer who fails to post or maintain a
6 required sign through December 31, 2000 is guilty of a petty
7 offense for which the fine shall be \$500 per day per each
8 retail premises where a violation occurs.

9 With respect to gasohol, as defined in the Use Tax Act, the
10 tax imposed by this Act applies to (i) 70% of the proceeds of
11 sales made on or after January 1, 1990, and before July 1,
12 2003, (ii) 80% of the proceeds of sales made on or after July
13 1, 2003 and on or before December 31, 2018, and (iii) 100% of
14 the proceeds of sales made thereafter. If, at any time,
15 however, the tax under this Act on sales of gasohol, as defined
16 in the Use Tax Act, is imposed at the rate of 1.25%, then the
17 tax imposed by this Act applies to 100% of the proceeds of
18 sales of gasohol made during that time.

19 With respect to majority blended ethanol fuel, as defined
20 in the Use Tax Act, the tax imposed by this Act does not apply
21 to the proceeds of sales made on or after July 1, 2003 and on or
22 before December 31, 2018 but applies to 100% of the proceeds of
23 sales made thereafter.

24 With respect to biodiesel blends, as defined in the Use Tax
25 Act, with no less than 1% and no more than 10% biodiesel, the
26 tax imposed by this Act applies to (i) 80% of the proceeds of

1 sales made on or after July 1, 2003 and on or before December
2 31, 2018 and (ii) 100% of the proceeds of sales made
3 thereafter. If, at any time, however, the tax under this Act on
4 sales of biodiesel blends, as defined in the Use Tax Act, with
5 no less than 1% and no more than 10% biodiesel is imposed at
6 the rate of 1.25%, then the tax imposed by this Act applies to
7 100% of the proceeds of sales of biodiesel blends with no less
8 than 1% and no more than 10% biodiesel made during that time.

9 With respect to 100% biodiesel, as defined in the Use Tax
10 Act, and biodiesel blends, as defined in the Use Tax Act, with
11 more than 10% but no more than 99% biodiesel, the tax imposed
12 by this Act does not apply to the proceeds of sales made on or
13 after July 1, 2003 and on or before December 31, 2018 but
14 applies to 100% of the proceeds of sales made thereafter.

15 Beginning on January 1, 2013, and through December 31,
16 2022, with respect to tangible personal property that is
17 incorporated into real estate within a manufacturing or graphic
18 arts facility, used or consumed in research and development, or
19 used or consumed in the manufacturing or graphic arts process,
20 including, but not limited to, the following activities:
21 preproduction or postproduction material handling, quality
22 control, inventory control, storage, staging and packaging for
23 shipping and transportation, the tax is imposed at the rate of
24 1.25%.

25 With respect to 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) and prescription and
3 nonprescription medicines, drugs, medical appliances,
4 modifications to a motor vehicle for the purpose of rendering
5 it usable by a disabled person, and insulin, urine testing
6 materials, syringes, and needles used by diabetics, for human
7 use, the tax is imposed at the rate of 1%. For the purposes of
8 this Section, until September 1, 2009: the term "soft drinks"
9 means any complete, finished, ready-to-use, non-alcoholic
10 drink, whether carbonated or not, including but not limited to
11 soda water, cola, fruit juice, vegetable juice, carbonated
12 water, and all other preparations commonly known as soft drinks
13 of whatever kind or description that are contained in any
14 closed or sealed bottle, can, carton, or container, regardless
15 of size; but "soft drinks" does not include coffee, tea,
16 non-carbonated water, infant formula, milk or milk products as
17 defined in the Grade A Pasteurized Milk and Milk Products Act,
18 or drinks containing 50% or more natural fruit or vegetable
19 juice.

20 Notwithstanding any other provisions of this Act,
21 beginning September 1, 2009, "soft drinks" means non-alcoholic
22 beverages that contain natural or artificial sweeteners. "Soft
23 drinks" do not include beverages that contain milk or milk
24 products, soy, rice or similar milk substitutes, or greater
25 than 50% of vegetable or fruit juice by volume.

26 Until August 1, 2009, and notwithstanding any other

1 provisions of this Act, "food for human consumption that is to
2 be consumed off the premises where it is sold" includes all
3 food sold through a vending machine, except soft drinks and
4 food products that are dispensed hot from a vending machine,
5 regardless of the location of the vending machine. Beginning
6 August 1, 2009, and notwithstanding any other provisions of
7 this Act, "food for human consumption that is to be consumed
8 off the premises where it is sold" includes all food sold
9 through a vending machine, except soft drinks, candy, and food
10 products that are dispensed hot from a vending machine,
11 regardless of the location of the vending machine.

12 Notwithstanding any other provisions of this Act,
13 beginning September 1, 2009, "food for human consumption that
14 is to be consumed off the premises where it is sold" does not
15 include candy. For purposes of this Section, "candy" means a
16 preparation of sugar, honey, or other natural or artificial
17 sweeteners in combination with chocolate, fruits, nuts or other
18 ingredients or flavorings in the form of bars, drops, or
19 pieces. "Candy" does not include any preparation that contains
20 flour or requires refrigeration.

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "nonprescription medicines and
23 drugs" does not include grooming and hygiene products. For
24 purposes of this Section, "grooming and hygiene products"
25 includes, but is not limited to, soaps and cleaning solutions,
26 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan

1 lotions and screens, unless those products are available by
2 prescription only, regardless of whether the products meet the
3 definition of "over-the-counter-drugs". For the purposes of
4 this paragraph, "over-the-counter-drug" means a drug for human
5 use that contains a label that identifies the product as a drug
6 as required by 21 C.F.R. § 201.66. The "over-the-counter-drug"
7 label includes:

8 (A) A "Drug Facts" panel; or

9 (B) A statement of the "active ingredient(s)" with a
10 list of those ingredients contained in the compound,
11 substance or preparation.

12 (Source: P.A. 96-34, eff. 7-13-09; 96-37, eff. 7-13-09; 96-38,
13 eff. 7-13-09; 96-1000, eff. 7-2-10; 96-1012, eff. 7-7-10;
14 97-636, eff. 6-1-12.)

15 (35 ILCS 120/3) (from Ch. 120, par. 442)

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 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 Each return shall be accompanied by the statement of

1 prepaid tax issued pursuant to Section 2e for which credit is
2 claimed.

3 Prior to October 1, 2003, and on and after September 1,
4 2004 a retailer may accept a Manufacturer's Purchase Credit
5 certification from a purchaser in satisfaction of Use Tax as
6 provided in Section 3-85 of the Use Tax Act if the purchaser
7 provides the appropriate documentation as required by Section
8 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
9 certification, accepted by a retailer prior to October 1, 2003
10 and on and after September 1, 2004 as provided in Section 3-85
11 of the Use Tax Act, may be used by that retailer to satisfy
12 Retailers' Occupation Tax liability in the amount claimed in
13 the certification, not to exceed 6.25% of the receipts subject
14 to tax from a qualifying purchase. A Manufacturer's Purchase
15 Credit reported on any original or amended return filed under
16 this Act after October 20, 2003 for reporting periods prior to
17 September 1, 2004 shall be disallowed. Manufacturer's
18 Purchaser Credit reported on annual returns due on or after
19 January 1, 2005 will be disallowed for periods prior to
20 September 1, 2004. No Manufacturer's Purchase Credit may be
21 used after September 30, 2003 through August 31, 2004 to
22 satisfy any tax liability imposed under this Act, including any
23 audit liability.

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

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

5 1. The name of the seller;

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

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

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

16 5. The amount of tax due; and

17 6. Such other reasonable information as the Department
18 may require.

19 Beginning on October 1, 2003, any person who is not a
20 licensed distributor, importing distributor, or manufacturer,
21 as defined in the Liquor Control Act of 1934, but is engaged in
22 the business of selling, at retail, alcoholic liquor shall file
23 a statement with the Department of Revenue, in a format and at
24 a time prescribed by the Department, showing the total amount
25 paid for alcoholic liquor purchased during the preceding month
26 and such other information as is reasonably required by the

1 Department. The Department may adopt rules to require that this
2 statement be filed in an electronic or telephonic format. Such
3 rules may provide for exceptions from the filing requirements
4 of this paragraph. For the purposes of this paragraph, the term
5 "alcoholic liquor" shall have the meaning prescribed in the
6 Liquor Control Act of 1934.

7 Beginning on October 1, 2003, every distributor, importing
8 distributor, and manufacturer of alcoholic liquor as defined in
9 the Liquor Control Act of 1934, shall file a statement with the
10 Department of Revenue, no later than the 10th day of the month
11 for the preceding month during which transactions occurred, by
12 electronic means, showing the total amount of gross receipts
13 from the sale of alcoholic liquor sold or distributed during
14 the preceding month to purchasers; identifying the purchaser to
15 whom it was sold or distributed; the purchaser's tax
16 registration number; and such other information reasonably
17 required by the Department. A distributor, importing
18 distributor, or manufacturer of alcoholic liquor must
19 personally deliver, mail, or provide by electronic means to
20 each retailer listed on the monthly statement a report
21 containing a cumulative total of that distributor's, importing
22 distributor's, or manufacturer's total sales of alcoholic
23 liquor to that retailer no later than the 10th day of the month
24 for the preceding month during which the transaction occurred.
25 The distributor, importing distributor, or manufacturer shall
26 notify the retailer as to the method by which the distributor,

1 importing distributor, or manufacturer will provide the sales
2 information. If the retailer is unable to receive the sales
3 information by electronic means, the distributor, importing
4 distributor, or manufacturer shall furnish the sales
5 information by personal delivery or by mail. For purposes of
6 this paragraph, the term "electronic means" includes, but is
7 not limited to, the use of a secure Internet website, e-mail,
8 or facsimile.

9 If a total amount of less than \$1 is payable, refundable or
10 creditable, such amount shall be disregarded if it is less than
11 50 cents and shall be increased to \$1 if it is 50 cents or more.

12 Beginning October 1, 1993, a taxpayer who has an average
13 monthly tax liability of \$150,000 or more shall make all
14 payments required by rules of the Department by electronic
15 funds transfer. Beginning October 1, 1994, a taxpayer who has
16 an average monthly tax liability of \$100,000 or more shall make
17 all payments required by rules of the Department by electronic
18 funds transfer. Beginning October 1, 1995, a taxpayer who has
19 an average monthly tax liability of \$50,000 or more shall make
20 all payments required by rules of the Department by electronic
21 funds transfer. Beginning October 1, 2000, a taxpayer who has
22 an annual tax liability of \$200,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. The term "annual tax liability" shall be the
25 sum of the taxpayer's liabilities under this Act, and under all
26 other State and local occupation and use tax laws administered

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

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

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

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

23 The Department shall adopt such rules as are necessary to
24 effectuate a program of electronic funds transfer and the
25 requirements of this Section.

26 Any amount which is required to be shown or reported on any

1 return or other document under this Act shall, if such amount
2 is not a whole-dollar amount, be increased to the nearest
3 whole-dollar amount in any case where the fractional part of a
4 dollar is 50 cents or more, and decreased to the nearest
5 whole-dollar amount where the fractional part of a dollar is
6 less than 50 cents.

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

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

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

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

8 Where the same person has more than one business registered
9 with the Department under separate registrations under this
10 Act, such person may 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 In addition, with respect to motor vehicles, watercraft,
14 aircraft, and trailers that are required to be registered with
15 an agency of this State, every retailer selling this kind of
16 tangible personal property shall file, with the Department,
17 upon a form to be prescribed and supplied by the Department, a
18 separate return for each such item of tangible personal
19 property which the retailer sells, except that if, in the same
20 transaction, (i) a retailer of aircraft, watercraft, motor
21 vehicles or trailers transfers more than one aircraft,
22 watercraft, motor vehicle or trailer to another aircraft,
23 watercraft, motor vehicle retailer or trailer retailer for the
24 purpose of resale or (ii) a retailer of aircraft, watercraft,
25 motor vehicles, or trailers transfers more than one aircraft,
26 watercraft, motor vehicle, or trailer to a purchaser for use as

1 a qualifying rolling stock as provided in Section 2-5 of this
2 Act, then that seller may report the transfer of all aircraft,
3 watercraft, motor vehicles or trailers involved in that
4 transaction to the Department on the same uniform
5 invoice-transaction reporting return form. For purposes of
6 this Section, "watercraft" means a Class 2, Class 3, or Class 4
7 watercraft as defined in Section 3-2 of the Boat Registration
8 and Safety Act, a personal watercraft, or any boat equipped
9 with an inboard motor.

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

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

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

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

1 sufficient identification of the property sold, and such other
2 information as the Department may reasonably require.

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

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

1 to such tangible personal property.

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

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

1 if the tax had been remitted to the Department by the retailer.

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

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

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

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

1 to Section 2d of this Act shall be included in the amount on
2 which such 2.1% or 1.75% discount is computed. In the case of
3 retailers who report and pay the tax on a transaction by
4 transaction basis, as provided in this Section, such discount
5 shall be taken with each such tax remittance instead of when
6 such retailer files his periodic return.

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

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

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

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

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

4 The provisions of this paragraph apply before October 1,
5 2001. Without regard to whether a taxpayer is required to make
6 quarter monthly payments as specified above, any taxpayer who
7 is required by Section 2d of this Act to collect and remit
8 prepaid taxes and has collected prepaid taxes which average in
9 excess of \$25,000 per month during the preceding 2 complete
10 calendar quarters, shall file a return with the Department as
11 required by Section 2f and shall make payments to the
12 Department on or before the 7th, 15th, 22nd and last day of the
13 month during which such liability is incurred. If the month
14 during which such tax liability is incurred began prior to the
15 effective date of this amendatory Act of 1985, each payment
16 shall be in an amount not less than 22.5% of the taxpayer's
17 actual liability under Section 2d. If the month during which
18 such tax liability is incurred begins on or after January 1,
19 1986, each payment shall be in an amount equal to 22.5% of the
20 taxpayer's actual liability for the month or 27.5% of the
21 taxpayer's liability for the same calendar month of the
22 preceding calendar year. If the month during which such tax
23 liability is incurred begins on or after 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 26.25% of the taxpayer's
26 liability for the same calendar month of the preceding year.

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

14 The provisions of this paragraph apply on and after October
15 1, 2001. Without regard to whether a taxpayer is required to
16 make quarter monthly payments as specified above, any taxpayer
17 who is required by Section 2d of this Act to collect and remit
18 prepaid taxes and has collected prepaid taxes that average in
19 excess of \$20,000 per month during the preceding 4 complete
20 calendar quarters shall file a return with the Department as
21 required by Section 2f and shall make payments to the
22 Department on or before the 7th, 15th, 22nd and last day of the
23 month during which the liability is incurred. Each payment
24 shall be in an amount equal to 22.5% of the taxpayer's actual
25 liability for the month or 25% of the taxpayer's liability for
26 the same calendar month of the preceding year. The amount of

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

18 If any payment provided for in this Section exceeds the
19 taxpayer's liabilities under this Act, the Use Tax Act, the
20 Service Occupation Tax Act and the Service Use Tax Act, as
21 shown on an original monthly return, the Department shall, if
22 requested by the taxpayer, issue to the taxpayer a credit
23 memorandum no later than 30 days after the date of payment. The
24 credit evidenced by such credit memorandum may be assigned by
25 the taxpayer to a similar taxpayer under this Act, the Use Tax
26 Act, the Service Occupation Tax Act or the Service Use Tax Act,

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

14 If a retailer of motor fuel is entitled to a credit under
15 Section 2d of this Act which exceeds the taxpayer's liability
16 to the Department under this Act for the month which the
17 taxpayer is filing a return, the Department shall issue the
18 taxpayer a credit memorandum for the excess.

19 Beginning January 1, 1990, each month the Department shall
20 pay into the Local Government Tax Fund, a special fund in the
21 State treasury which is hereby created, the net revenue
22 realized for the preceding month from the 1% tax on sales of
23 food for human consumption which is to be consumed off the
24 premises where it is sold (other than alcoholic beverages, soft
25 drinks and food which 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.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the County and Mass Transit District Fund, a special
5 fund in the State treasury which is hereby created, 4% of the
6 net revenue realized for the preceding month from the 6.25%
7 general rate.

8 Beginning August 1, 2000, each month the Department shall
9 pay into the County and Mass Transit District Fund 20% 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. Beginning
12 September 1, 2010, each month the Department shall pay into the
13 County and Mass Transit District Fund 20% of the net revenue
14 realized for the preceding month from the 1.25% rate on the
15 selling price of sales tax holiday items. Beginning January 1,
16 2013, each month the Department shall pay into the County and
17 Mass Transit District Fund 20% of the net revenue realized for
18 the preceding month from the 1.25% rate on tangible personal
19 property that is incorporated into real estate within a
20 manufacturing or graphic arts facility, used or consumed in
21 research and development, or used or consumed in the
22 manufacturing or graphic arts process.

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.

1 Beginning August 1, 2000, each month the Department shall
2 pay into the Local Government Tax Fund 80% of the net revenue
3 realized for the preceding month from the 1.25% rate on the
4 selling price of motor fuel and gasohol. Beginning September 1,
5 2010, each month the Department shall pay into the Local
6 Government Tax Fund 80% of the net revenue realized for the
7 preceding month from the 1.25% rate on the selling price of
8 sales tax holiday items. Beginning January 1, 2013, each month
9 the Department shall pay into the Local Government Tax Fund
10 Fund 80% of the net revenue realized for the preceding month
11 from the 1.25% rate on tangible personal property that is
12 incorporated into real estate within a manufacturing or graphic
13 arts facility, used or consumed in research and development, or
14 used or consumed in the manufacturing or graphic arts process.

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 is now taxed at 6.25%.

22 Beginning July 1, 2011, each month the Department shall pay
23 into the Clean Air Act (CAA) Permit Fund 80% of the net revenue
24 realized for the preceding month from the 6.25% general rate on
25 the selling price of sorbents used in Illinois in the process
26 of sorbent injection as used to comply with the Environmental

1 Protection Act or the federal Clean Air Act, but the total
2 payment into the Clean Air Act (CAA) Permit Fund under this Act
3 and the Use Tax Act shall not exceed \$2,000,000 in any fiscal
4 year.

5 Of the remainder of the moneys received by the Department
6 pursuant to this Act, (a) 1.75% thereof shall be paid into the
7 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
8 and after July 1, 1989, 3.8% thereof shall be paid into the
9 Build Illinois Fund; provided, however, that if in any fiscal
10 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
11 may be, of the moneys received by the Department and required
12 to be paid into the Build Illinois Fund pursuant to this Act,
13 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
14 Act, and Section 9 of the Service Occupation Tax Act, such Acts
15 being hereinafter called the "Tax Acts" and such aggregate of
16 2.2% or 3.8%, as the case may be, of moneys being hereinafter
17 called the "Tax Act Amount", and (2) the amount transferred to
18 the Build Illinois Fund from the State and Local Sales Tax
19 Reform Fund shall be less than the Annual Specified Amount (as
20 hereinafter defined), an amount equal to the difference shall
21 be immediately paid into the Build Illinois Fund from other
22 moneys received by the Department pursuant to the Tax Acts; the
23 "Annual Specified Amount" means the amounts specified below for
24 fiscal years 1986 through 1993:

25	Fiscal Year	Annual Specified Amount
26	1986	\$54,800,000

1	1987	\$76,650,000
2	1988	\$80,480,000
3	1989	\$88,510,000
4	1990	\$115,330,000
5	1991	\$145,470,000
6	1992	\$182,730,000
7	1993	\$206,520,000;

8 and means the Certified Annual Debt Service Requirement (as
9 defined in Section 13 of the Build Illinois Bond Act) or the
10 Tax Act Amount, whichever is greater, for fiscal year 1994 and
11 each fiscal year thereafter; and further provided, that if on
12 the last business day of any month the sum of (1) the Tax Act
13 Amount required to be deposited into the Build Illinois Bond
14 Account in the Build Illinois Fund during such month and (2)
15 the amount transferred to the Build Illinois Fund from the
16 State and Local Sales Tax Reform Fund shall have been less than
17 1/12 of the Annual Specified Amount, an amount equal to the
18 difference shall be immediately paid into the Build Illinois
19 Fund from other moneys received by the Department pursuant to
20 the Tax Acts; and, further provided, that in no event shall the
21 payments required under the preceding proviso result in
22 aggregate payments into the Build Illinois Fund pursuant to
23 this clause (b) for any fiscal year in excess of the greater of
24 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
25 such fiscal year. The amounts payable into the Build Illinois
26 Fund under clause (b) of the first sentence in this paragraph

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

1 Department pursuant to this Act and required to be deposited
2 into the Build Illinois Fund are subject to the pledge, claim
3 and charge set forth in Section 12 of the Build Illinois Bond
4 Act.

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

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

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	246,000,000
22	2022	260,000,000
23	2023	275,000,000
24	2024	275,000,000
25	2025	275,000,000
26	2026	279,000,000

1	2027	292,000,000
2	2028	307,000,000
3	2029	322,000,000
4	2030	338,000,000
5	2031	350,000,000
6	2032	350,000,000

7 and

8 each fiscal year

9 thereafter that bonds

10 are outstanding under

11 Section 13.2 of the

12 Metropolitan Pier and

13 Exposition Authority Act,

14 but not after fiscal year 2060.

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

1 has been deposited.

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

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

23 Of the remainder of the moneys received by the Department
24 pursuant to this Act, 75% thereof shall be paid into the State
25 Treasury and 25% shall be reserved in a special account and
26 used only for the transfer to the Common School Fund as part of

1 the monthly transfer from the General Revenue Fund in
2 accordance with Section 8a of the State Finance Act.

3 The Department may, upon separate written notice to a
4 taxpayer, require the taxpayer to prepare and file with the
5 Department on a form prescribed by the Department within not
6 less than 60 days after receipt of the notice an annual
7 information return for the tax year specified in the notice.
8 Such annual return to the Department shall include a statement
9 of gross receipts as shown by the retailer's last Federal
10 income tax return. If the total receipts of the business as
11 reported in the Federal income tax return do not agree with the
12 gross receipts reported to the Department of Revenue for the
13 same period, the retailer shall attach to his annual return a
14 schedule showing a reconciliation of the 2 amounts and the
15 reasons for the difference. The retailer's annual return to the
16 Department shall also disclose the cost of goods sold by the
17 retailer during the year covered by such return, opening and
18 closing inventories of such goods for such year, costs of goods
19 used from stock or taken from stock and given away by the
20 retailer during such year, payroll information of the
21 retailer's business during such year and any additional
22 reasonable information which the Department deems would be
23 helpful in determining the accuracy of the monthly, quarterly
24 or annual returns filed by such retailer as provided for in
25 this Section.

26 If the annual information return required by this Section

1 is not filed when and as required, the taxpayer shall be liable
2 as follows:

3 (i) Until January 1, 1994, the taxpayer shall be liable
4 for a penalty equal to 1/6 of 1% of the tax due from such
5 taxpayer under this Act during the period to be covered by
6 the annual return for each month or fraction of a month
7 until such return is filed as required, the penalty to be
8 assessed and collected in the same manner as any other
9 penalty provided for in this Act.

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

13 The chief executive officer, proprietor, owner or highest
14 ranking manager shall sign the annual return to certify the
15 accuracy of the information contained therein. Any person who
16 willfully signs the annual return containing false or
17 inaccurate information shall be guilty of perjury and punished
18 accordingly. The annual return form prescribed by the
19 Department shall include a warning that the person signing the
20 return may be liable for perjury.

21 The provisions of this Section concerning the filing of an
22 annual information return do not apply to a retailer who is not
23 required to file an income tax return with the United States
24 Government.

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 Any person who promotes, organizes, provides retail
18 selling space for concessionaires or other types of sellers at
19 the Illinois State Fair, DuQuoin State Fair, county fairs,
20 local fairs, art shows, flea markets and similar exhibitions or
21 events, including any transient merchant as defined by Section
22 2 of the Transient Merchant Act of 1987, is required to file a
23 report with the Department providing the name of the merchant's
24 business, the name of the person or persons engaged in
25 merchant's business, the permanent address and Illinois
26 Retailers Occupation Tax Registration Number of the merchant,

1 the dates and location of the event and other reasonable
2 information that the Department may require. The report must be
3 filed not later than the 20th day of the month next following
4 the month during which the event with retail sales was held.
5 Any person who fails to file a report required by this Section
6 commits a business offense and is subject to a fine not to
7 exceed \$250.

8 Any person engaged in the business of selling tangible
9 personal property at retail as a concessionaire or other type
10 of seller at the Illinois State Fair, county fairs, art shows,
11 flea markets and similar exhibitions or events, or any
12 transient merchants, as defined by Section 2 of the Transient
13 Merchant Act of 1987, may be required to make a daily report of
14 the amount of such sales to the Department and to make a daily
15 payment of the full amount of tax due. The Department shall
16 impose this requirement when it finds that there is a
17 significant risk of loss of revenue to the State at such an
18 exhibition or event. Such a finding shall be based on evidence
19 that a substantial number of concessionaires or other sellers
20 who are not residents of Illinois will be engaging in the
21 business of selling tangible personal property at retail at the
22 exhibition or event, or other evidence of a significant risk of
23 loss of revenue to the State. The Department shall notify
24 concessionaires and other sellers affected by the imposition of
25 this requirement. In the absence of notification by the
26 Department, the concessionaires and other sellers shall file

1 their returns as otherwise required in this Section.

2 (Source: P.A. 96-34, eff. 7-13-09; 96-38, eff. 7-13-09; 96-898,
3 eff. 5-27-10; 96-1012, eff. 7-7-10; 97-95, eff. 7-12-11;
4 97-333, eff. 8-12-11.)".