



98TH GENERAL ASSEMBLY

State of Illinois

2013 and 2014

SB2326

Introduced 2/15/2013, by Sen. Toi W. Hutchinson

SYNOPSIS AS INTRODUCED:

20 ILCS 2505/2505-250	was 20 ILCS 2505/39c
35 ILCS 105/3-61	
35 ILCS 110/3-51	
35 ILCS 115/2d	
35 ILCS 120/2-51	
35 ILCS 120/5	from Ch. 120, par. 444
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.7	
55 ILCS 5/5-1035 rep.	
65 ILCS 5/8-11-1.1	from Ch. 24, par. 8-11-1.1
65 ILCS 5/8-11-9 rep.	
415 ILCS 5/55.8	from Ch. 111 1/2, par. 1055.8

Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. Makes a technical correction concerning a cross-reference. Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, in the case of a return that is not filed at the required time, a notice of tax liability may be issued on and after each July 1, and January 1 for returns filed more than 3 years prior to that July 1 or January 1. Makes changes concerning rolling stock. Effective July 1, 2013.

LRB098 10604 HLH 40868 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Department of Revenue Law of the Civil
5 Administrative Code of Illinois is amended by changing Section
6 2505-250 as follows:

7 (20 ILCS 2505/2505-250) (was 20 ILCS 2505/39c)

8 Sec. 2505-250. Compromising debts due to the State. Under
9 no circumstances shall any officer or employee of the
10 Department compromise any debt due to this State, except in
11 case of actions of the Director after review by the board of
12 appeals provided for by Section 2505-505 ~~95-505~~. However,
13 claims or accounts receivable of less than \$1,000 may be
14 written off the Department's records and cancelled by the
15 Department without complying with the provisions of Section 2
16 of the Uncollected State Claims Act when the Department
17 determines that the cost of collecting the claim or account
18 would exceed the amount to be collected. The Department shall
19 submit to the Comptroller a list of all such claims or accounts
20 written off the Department's records.

21 (Source: P.A. 91-239, eff. 1-1-00.)

22 Section 10. The Use Tax Act is amended by changing Section

1 3-61 as follows:

2 (35 ILCS 105/3-61)

3 Sec. 3-61. Motor vehicles; trailers; use as rolling stock
4 definition.

5 (a) Through June 30, 2003, "use as rolling stock moving in
6 interstate commerce" in subsections (b) and (c) of Section 3-55
7 means for motor vehicles, as defined in Section 1-146 of the
8 Illinois Vehicle Code, and trailers, as defined in Section
9 1-209 of the Illinois Vehicle Code, when on 15 or more
10 occasions in a 12-month period the motor vehicle and trailer
11 has carried persons or property for hire in interstate
12 commerce, even just between points in Illinois, if the motor
13 vehicle and trailer transports persons whose journeys or
14 property whose shipments originate or terminate outside
15 Illinois. This definition applies to all property purchased for
16 the purpose of being attached to those motor vehicles or
17 trailers as a part thereof.

18 (b) On and after July 1, 2003 and through June 30, 2004,
19 "use as rolling stock moving in interstate commerce" in
20 paragraphs (b) and (c) of Section 3-55 occurs for motor
21 vehicles, as defined in Section 1-146 of the Illinois Vehicle
22 Code, when during a 12-month period the rolling stock has
23 carried persons or property for hire in interstate commerce for
24 51% of its total trips and transports persons whose journeys or
25 property whose shipments originate or terminate outside

1 Illinois. Trips that are only between points in Illinois shall
2 not be counted as interstate trips when calculating whether the
3 tangible personal property qualifies for the exemption but such
4 trips shall be included in total trips taken.

5 (c) Beginning July 1, 2004, "use as rolling stock moving in
6 interstate commerce" in paragraphs (b) and (c) of Section 3-55
7 occurs for motor vehicles, as defined in Section 1-146 of the
8 Illinois Vehicle Code, when during a 12-month period the
9 rolling stock has carried persons or property for hire in
10 interstate commerce for greater than 50% of its total trips for
11 that period or for greater than 50% of its total miles for that
12 period. The person claiming the exemption shall make an
13 election at the time of purchase to use either the trips or
14 mileage method. Persons who purchased motor vehicles prior to
15 July 1, 2004 shall make an election to use either the trips or
16 mileage method and document that election in their books and
17 records. If no election is made under this subsection to use
18 the trips or mileage method, the person shall be deemed to have
19 chosen the mileage method. ~~Any election to use either the trips
20 or mileage method will remain in effect for that motor vehicle
21 for any period for which the Department may issue a notice of
22 tax liability under this Act.~~

23 For purposes of determining qualifying trips or miles,
24 motor vehicles that carry persons or property for hire, even
25 just between points in Illinois, will be considered used for
26 hire in interstate commerce if the motor vehicle transports

1 persons whose journeys or property whose shipments originate or
2 terminate outside Illinois. The exemption for motor vehicles
3 used as rolling stock moving in interstate commerce may be
4 claimed only for the following vehicles: (i) motor vehicles
5 whose gross vehicle weight rating exceeds 16,000 pounds; and
6 (ii) limousines, as defined in Section 1-139.1 of the Illinois
7 Vehicle Code. This definition applies to all property purchased
8 for the purpose of being attached to those motor vehicles as a
9 part thereof.

10 (d) Beginning July 1, 2004, "use as rolling stock moving in
11 interstate commerce" in paragraphs (b) and (c) of Section 3-55
12 occurs for trailers, as defined in Section 1-209 of the
13 Illinois Vehicle Code, semitrailers as defined in Section 1-187
14 of the Illinois Vehicle Code, and pole trailers as defined in
15 Section 1-161 of the Illinois Vehicle Code, when during a
16 12-month period the rolling stock has carried persons or
17 property for hire in interstate commerce for greater than 50%
18 of its total trips for that period or for greater than 50% of
19 its total miles for that period. The person claiming the
20 exemption for a trailer or trailers that will not be dedicated
21 to a motor vehicle or group of motor vehicles shall make an
22 election at the time of purchase to use either the trips or
23 mileage method. Persons who purchased trailers prior to July 1,
24 2004 that are not dedicated to a motor vehicle or group of
25 motor vehicles shall make an election to use either the trips
26 or mileage method and document that election in their books and

1 records. If no election is made under this subsection to use
2 the trips or mileage method, the person shall be deemed to have
3 chosen the mileage method. ~~Any election to use either the trips
4 or mileage method will remain in effect for that trailer for
5 any period for which the Department may issue a notice of tax
6 liability under this Act.~~

7 For purposes of determining qualifying trips or miles,
8 trailers, semitrailers, or pole trailers that carry property
9 for hire, even just between points in Illinois, will be
10 considered used for hire in interstate commerce if the
11 trailers, semitrailers, or pole trailers transport property
12 whose shipments originate or terminate outside Illinois. This
13 definition applies to all property purchased for the purpose of
14 being attached to those trailers, semitrailers, or pole
15 trailers as a part thereof. In lieu of a person providing
16 documentation regarding the qualifying use of each individual
17 trailer, semitrailer, or pole trailer, that person may document
18 such qualifying use by providing documentation of the
19 following:

20 (1) If a trailer, semitrailer, or pole trailer is
21 dedicated to a motor vehicle that qualifies as rolling
22 stock moving in interstate commerce under subsection (c) of
23 this Section, then that trailer, semitrailer, or pole
24 trailer qualifies as rolling stock moving in interstate
25 commerce under this subsection.

26 (2) If a trailer, semitrailer, or pole trailer is

1 dedicated to a group of motor vehicles that all qualify as
2 rolling stock moving in interstate commerce under
3 subsection (c) of this Section, then that trailer,
4 semitrailer, or pole trailer qualifies as rolling stock
5 moving in interstate commerce under this subsection.

6 (3) If one or more trailers, semitrailers, or pole
7 trailers are dedicated to a group of motor vehicles and not
8 all of those motor vehicles in that group qualify as
9 rolling stock moving in interstate commerce under
10 subsection (c) of this Section, then the percentage of
11 those trailers, semitrailers, or pole trailers that
12 qualifies as rolling stock moving in interstate commerce
13 under this subsection is equal to the percentage of those
14 motor vehicles in that group that qualify as rolling stock
15 moving in interstate commerce under subsection (c) of this
16 Section to which those trailers, semitrailers, or pole
17 trailers are dedicated. However, to determine the
18 qualification for the exemption provided under this item
19 (3), the mathematical application of the qualifying
20 percentage to one or more trailers, semitrailers, or pole
21 trailers under this subpart shall not be allowed as to any
22 fraction of a trailer, semitrailer, or pole trailer.

23 (e) Beginning July 1, 2013, "use as rolling stock moving in
24 interstate commerce" in paragraphs (b) and (c) of Section 3-55
25 occurs for aircraft and watercraft when, during a 12-month
26 period, the rolling stock has carried persons or property for

1 hire in interstate commerce for greater than 50% of its total
2 trips for that period or for greater than 50% of its total
3 miles for that period. The person claiming the exemption shall
4 make an election at the time of purchase to use either the
5 trips or mileage method. Persons who purchased aircraft or
6 watercraft prior to July 1, 2013 shall make an election to use
7 either the trips or mileage method and document that election
8 in their books and records. If no election is made under this
9 subsection to use the trips or mileage method, the person shall
10 be deemed to have chosen the mileage method. For aircraft,
11 flight hours may be used in lieu of recording miles in
12 determining whether the aircraft meets the mileage test in this
13 subsection. For watercraft, nautical miles or trip hours may be
14 used in lieu of recording miles in determining whether the
15 watercraft meets the mileage test in this subsection.

16 (f) Any election to use either the trips or mileage method
17 made under the provisions of subsections (c), (d), or (e) of
18 this Section will remain in effect for the life of that item.

19 (Source: P.A. 95-528, eff. 8-28-07.)

20 Section 15. The Service Use Tax Act is amended by changing
21 Section 3-51 as follows:

22 (35 ILCS 110/3-51)

23 Sec. 3-51. Motor vehicles; trailers; use as rolling stock
24 definition.

1 (a) Through June 30, 2003, "use as rolling stock moving in
2 interstate commerce" in subsection (b) of Section 3-45 means
3 for motor vehicles, as defined in Section 1-46 of the Illinois
4 Vehicle Code, and trailers, as defined in Section 1-209 of the
5 Illinois Vehicle Code, when on 15 or more occasions in a
6 12-month period the motor vehicle and trailer has carried
7 persons or property for hire in interstate commerce, even just
8 between points in Illinois, if the motor vehicle and trailer
9 transports persons whose journeys or property whose shipments
10 originate or terminate outside Illinois. This definition
11 applies to all property purchased for the purpose of being
12 attached to those motor vehicles or trailers as a part thereof.

13 (b) On and after July 1, 2003 and through June 30, 2004,
14 "use as rolling stock moving in interstate commerce" in
15 paragraphs (4) and (4a) of the definition of "sale of service"
16 in Section 2 and subsection (b) of Section 3-45 occurs for
17 motor vehicles, as defined in Section 1-146 of the Illinois
18 Vehicle Code, when during a 12-month period the rolling stock
19 has carried persons or property for hire in interstate commerce
20 for 51% of its total trips and transports persons whose
21 journeys or property whose shipments originate or terminate
22 outside Illinois. Trips that are only between points in
23 Illinois shall not be counted as interstate trips when
24 calculating whether the tangible personal property qualifies
25 for the exemption but such trips shall be included in total
26 trips taken.

1 (c) Beginning July 1, 2004, "use as rolling stock moving in
2 interstate commerce" in paragraphs (4) and (4a) of the
3 definition of "sale of service" in Section 2 and subsection (b)
4 of Section 3-45 occurs for motor vehicles, as defined in
5 Section 1-146 of the Illinois Vehicle Code, when during a
6 12-month period the rolling stock has carried persons or
7 property for hire in interstate commerce for greater than 50%
8 of its total trips for that period or for greater than 50% of
9 its total miles for that period. The person claiming the
10 exemption shall make an election at the time of purchase to use
11 either the trips or mileage method. Persons who purchased motor
12 vehicles prior to July 1, 2004 shall make an election to use
13 either the trips or mileage method and document that election
14 in their books and records. If no election is made under this
15 subsection to use the trips or mileage method, the person shall
16 be deemed to have chosen the mileage method. ~~Any election to~~
17 ~~use either the trips or mileage method will remain in effect~~
18 ~~for that motor vehicle for any period for which the Department~~
19 ~~may issue a notice of tax liability under this Act.~~

20 For purposes of determining qualifying trips or miles,
21 motor vehicles that carry persons or property for hire, even
22 just between points in Illinois, will be considered used for
23 hire in interstate commerce if the motor vehicle transports
24 persons whose journeys or property whose shipments originate or
25 terminate outside Illinois. The exemption for motor vehicles
26 used as rolling stock moving in interstate commerce may be

1 claimed only for the following vehicles: (i) motor vehicles
2 whose gross vehicle weight rating exceeds 16,000 pounds; and
3 (ii) limousines, as defined in Section 1-139.1 of the Illinois
4 Vehicle Code. This definition applies to all property purchased
5 for the purpose of being attached to those motor vehicles as a
6 part thereof.

7 (d) Beginning July 1, 2004, "use as rolling stock moving in
8 interstate commerce" in paragraphs (4) and (4a) of the
9 definition of "sale of service" in Section 2 and subsection (b)
10 of Section 3-45 occurs for trailers, as defined in Section
11 1-209 of the Illinois Vehicle Code, semitrailers as defined in
12 Section 1-187 of the Illinois Vehicle Code, and pole trailers
13 as defined in Section 1-161 of the Illinois Vehicle Code, when
14 during a 12-month period the rolling stock has carried persons
15 or property for hire in interstate commerce for greater than
16 50% of its total trips for that period or for greater than 50%
17 of its total miles for that period. The person claiming the
18 exemption for a trailer or trailers that will not be dedicated
19 to a motor vehicle or group of motor vehicles shall make an
20 election at the time of purchase to use either the trips or
21 mileage method. Persons who purchased trailers prior to July 1,
22 2004 that are not dedicated to a motor vehicle or group of
23 motor vehicles shall make an election to use either the trips
24 or mileage method and document that election in their books and
25 records. If no election is made under this subsection to use
26 the trips or mileage method, the person shall be deemed to have

1 chosen the mileage method. ~~Any election to use either the trips~~
2 ~~or mileage method will remain in effect for that trailer for~~
3 ~~any period for which the Department may issue a notice of tax~~
4 ~~liability under this Act.~~

5 For purposes of determining qualifying trips or miles,
6 trailers, semitrailers, or pole trailers that carry property
7 for hire, even just between points in Illinois, will be
8 considered used for hire in interstate commerce if the
9 trailers, semitrailers, or pole trailers transport property
10 whose shipments originate or terminate outside Illinois. This
11 definition applies to all property purchased for the purpose of
12 being attached to those trailers, semitrailers, or pole
13 trailers as a part thereof. In lieu of a person providing
14 documentation regarding the qualifying use of each individual
15 trailer, semitrailer, or pole trailer, that person may document
16 such qualifying use by providing documentation of the
17 following:

18 (1) If a trailer, semitrailer, or pole trailer is
19 dedicated to a motor vehicle that qualifies as rolling
20 stock moving in interstate commerce under subsection (c) of
21 this Section, then that trailer, semitrailer, or pole
22 trailer qualifies as rolling stock moving in interstate
23 commerce under this subsection.

24 (2) If a trailer, semitrailer, or pole trailer is
25 dedicated to a group of motor vehicles that all qualify as
26 rolling stock moving in interstate commerce under

1 subsection (c) of this Section, then that trailer,
2 semitrailer, or pole trailer qualifies as rolling stock
3 moving in interstate commerce under this subsection.

4 (3) If one or more trailers, semitrailers, or pole
5 trailers are dedicated to a group of motor vehicles and not
6 all of those motor vehicles in that group qualify as
7 rolling stock moving in interstate commerce under
8 subsection (c) of this Section, then the percentage of
9 those trailers, semitrailers, or pole trailers that
10 qualifies as rolling stock moving in interstate commerce
11 under this subsection is equal to the percentage of those
12 motor vehicles in that group that qualify as rolling stock
13 moving in interstate commerce under subsection (c) of this
14 Section to which those trailers, semitrailers, or pole
15 trailers are dedicated. However, to determine the
16 qualification for the exemption provided under this item
17 (3), the mathematical application of the qualifying
18 percentage to one or more trailers, semitrailers, or pole
19 trailers under this subpart shall not be allowed as to any
20 fraction of a trailer, semitrailer, or pole trailer.

21 (e) Beginning July 1, 2013, "use as rolling stock moving in
22 interstate commerce" in (i) paragraphs (4) and (4a) of the
23 definition of "sale of service" in Section 2 and (ii)
24 subsection (b) of Section 3-45 occurs for aircraft and
25 watercraft when, during a 12-month period, the rolling stock
26 has carried persons or property for hire in interstate commerce

1 for greater than 50% of its total trips for that period or for
2 greater than 50% of its total miles for that period. The person
3 claiming the exemption shall make an election at the time of
4 purchase to use either the trips or mileage method. Persons who
5 purchased aircraft or watercraft prior to July 1, 2013 shall
6 make an election to use either the trips or mileage method and
7 document that election in their books and records. If no
8 election is made under this subsection to use the trips or
9 mileage method, the person shall be deemed to have chosen the
10 mileage method. For aircraft, flight hours may be used in lieu
11 of recording miles in determining whether the aircraft meets
12 the mileage test in this subsection. For watercraft, nautical
13 miles or trip hours may be used in lieu of recording miles in
14 determining whether the watercraft meets the mileage test in
15 this subsection.

16 (f) Any election to use either the trips or mileage method
17 made under the provisions of subsections (c), (d), or (e) of
18 this Section will remain in effect for the life of that item.

19 (Source: P.A. 95-528, eff. 8-28-07.)

20 Section 20. The Service Occupation Tax Act is amended by
21 changing Section 2d and as follows:

22 (35 ILCS 115/2d)

23 Sec. 2d. Motor vehicles; trailers; use as rolling stock
24 definition.

1 (a) Through June 30, 2003, "use as rolling stock moving in
2 interstate commerce" in subsections (d) and (d-1) of the
3 definition of "sale of service" in Section 2 means for motor
4 vehicles, as defined in Section 1-146 of the Illinois Vehicle
5 Code, and trailers, as defined in Section 1-209 of the Illinois
6 Vehicle Code, when on 15 or more occasions in a 12-month period
7 the motor vehicle and trailer has carried persons or property
8 for hire in interstate commerce, even just between points in
9 Illinois, if the motor vehicle and trailer transports persons
10 whose journeys or property whose shipments originate or
11 terminate outside Illinois. This definition applies to all
12 property purchased for the purpose of being attached to those
13 motor vehicles or trailers as a part thereof.

14 (b) On and after July 1, 2003 and through June 30, 2004,
15 "use as rolling stock moving in interstate commerce" in
16 paragraphs (d) and (d-1) of the definition of "sale of service"
17 in Section 2 occurs for motor vehicles, as defined in Section
18 1-146 of the Illinois Vehicle Code, when during a 12-month
19 period the rolling stock has carried persons or property for
20 hire in interstate commerce for 51% of its total trips and
21 transports persons whose journeys or property whose shipments
22 originate or terminate outside Illinois. Trips that are only
23 between points in Illinois will not be counted as interstate
24 trips when calculating whether the tangible personal property
25 qualifies for the exemption but such trips will be included in
26 total trips taken.

1 (c) Beginning July 1, 2004, "use as rolling stock moving in
2 interstate commerce" in paragraphs (d) and (d-1) of the
3 definition of "sale of service" in Section 2 occurs for motor
4 vehicles, as defined in Section 1-146 of the Illinois Vehicle
5 Code, when during a 12-month period the rolling stock has
6 carried persons or property for hire in interstate commerce for
7 greater than 50% of its total trips for that period or for
8 greater than 50% of its total miles for that period. The person
9 claiming the exemption shall make an election at the time of
10 purchase to use either the trips or mileage method. Persons who
11 purchased motor vehicles prior to July 1, 2004 shall make an
12 election to use either the trips or mileage method and document
13 that election in their books and records. If no election is
14 made under this subsection to use the trips or mileage method,
15 the person shall be deemed to have chosen the mileage method.
16 ~~Any election to use either the trips or mileage method will~~
17 ~~remain in effect for that motor vehicle for any period for~~
18 ~~which the Department may issue a notice of tax liability under~~
19 ~~this Act.~~

20 For purposes of determining qualifying trips or miles,
21 motor vehicles that carry persons or property for hire, even
22 just between points in Illinois, will be considered used for
23 hire in interstate commerce if the motor vehicle transports
24 persons whose journeys or property whose shipments originate or
25 terminate outside Illinois. The exemption for motor vehicles
26 used as rolling stock moving in interstate commerce may be

1 claimed only for the following vehicles: (i) motor vehicles
2 whose gross vehicle weight rating exceeds 16,000 pounds; and
3 (ii) limousines, as defined in Section 1-139.1 of the Illinois
4 Vehicle Code. This definition applies to all property purchased
5 for the purpose of being attached to those motor vehicles as a
6 part thereof.

7 (d) Beginning July 1, 2004, "use as rolling stock moving in
8 interstate commerce" in paragraphs (d) and (d-1) of the
9 definition of "sale of service" in Section 2 occurs for
10 trailers, as defined in Section 1-209 of the Illinois Vehicle
11 Code, semitrailers as defined in Section 1-187 of the Illinois
12 Vehicle Code, and pole trailers as defined in Section 1-161 of
13 the Illinois Vehicle Code, when during a 12-month period the
14 rolling stock has carried persons or property for hire in
15 interstate commerce for greater than 50% of its total trips for
16 that period or for greater than 50% of its total miles for that
17 period. The person claiming the exemption for a trailer or
18 trailers that will not be dedicated to a motor vehicle or group
19 of motor vehicles shall make an election at the time of
20 purchase to use either the trips or mileage method. Persons who
21 purchased trailers prior to July 1, 2004 that are not dedicated
22 to a motor vehicle or group of motor vehicles shall make an
23 election to use either the trips or mileage method and document
24 that election in their books and records. If no election is
25 made under this subsection to use the trips or mileage method,
26 the person shall be deemed to have chosen the mileage method.

1 ~~Any election to use either the trips or mileage method will~~
2 ~~remain in effect for that trailer for any period for which the~~
3 ~~Department may issue a notice of tax liability under this Act.~~

4 For purposes of determining qualifying trips or miles,
5 trailers, semitrailers, or pole trailers that carry property
6 for hire, even just between points in Illinois, will be
7 considered used for hire in interstate commerce if the
8 trailers, semitrailers, or pole trailers transport property
9 whose shipments originate or terminate outside Illinois. This
10 definition applies to all property purchased for the purpose of
11 being attached to those trailers, semitrailers, or pole
12 trailers as a part thereof. In lieu of a person providing
13 documentation regarding the qualifying use of each individual
14 trailer, semitrailer, or pole trailer, that person may document
15 such qualifying use by providing documentation of the
16 following:

17 (1) If a trailer, semitrailer, or pole trailer is
18 dedicated to a motor vehicle that qualifies as rolling
19 stock moving in interstate commerce under subsection (c) of
20 this Section, then that trailer, semitrailer, or pole
21 trailer qualifies as rolling stock moving in interstate
22 commerce under this subsection.

23 (2) If a trailer, semitrailer, or pole trailer is
24 dedicated to a group of motor vehicles that all qualify as
25 rolling stock moving in interstate commerce under
26 subsection (c) of this Section, then that trailer,

1 semitrailer, or pole trailer qualifies as rolling stock
2 moving in interstate commerce under this subsection.

3 (3) If one or more trailers, semitrailers, or pole
4 trailers are dedicated to a group of motor vehicles and not
5 all of those motor vehicles in that group qualify as
6 rolling stock moving in interstate commerce under
7 subsection (c) of this Section, then the percentage of
8 those trailers, semitrailers, or pole trailers that
9 qualifies as rolling stock moving in interstate commerce
10 under this subsection is equal to the percentage of those
11 motor vehicles in that group that qualify as rolling stock
12 moving in interstate commerce under subsection (c) of this
13 Section to which those trailers, semitrailers, or pole
14 trailers are dedicated. However, to determine the
15 qualification for the exemption provided under this item
16 (3), the mathematical application of the qualifying
17 percentage to one or more trailers, semitrailers, or pole
18 trailers under this subpart shall not be allowed as to any
19 fraction of a trailer, semitrailer, or pole trailer.

20 (e) Beginning July 1, 2013, "use as rolling stock moving in
21 interstate commerce" in paragraphs (d) and (d-1) of the
22 definition of "sale of service" in Section 2 occurs for
23 aircraft and watercraft when, during a 12-month period, the
24 rolling stock has carried persons or property for hire in
25 interstate commerce for greater than 50% of its total trips for
26 that period or for greater than 50% of its total miles for that

1 period. The person claiming the exemption shall make an
2 election at the time of purchase to use either the trips or
3 mileage method. Persons who purchased aircraft or watercraft
4 prior to July 1, 2013 shall make an election to use either the
5 trips or mileage method and document that election in their
6 books and records. If no election is made under this subsection
7 to use the trips or mileage method, the person shall be deemed
8 to have chosen the mileage method. For aircraft, flight hours
9 may be used in lieu of recording miles in determining whether
10 the aircraft meets the mileage test in this subsection. For
11 watercraft, nautical miles or trip hours may be used in lieu of
12 recording miles in determining whether the watercraft meets the
13 mileage test in this subsection.

14 (f) Any election to use either the trips or mileage method
15 made under the provisions of subsections (c), (d), or (e) of
16 this Section will remain in effect for the life of that item.

17 (Source: P.A. 95-528, eff. 8-28-07.)

18 Section 25. The Retailers' Occupation Tax Act is amended by
19 changing Sections 2-51 and 5 as follows:

20 (35 ILCS 120/2-51)

21 Sec. 2-51. Motor vehicles; trailers; use as rolling stock
22 definition.

23 (a) Through June 30, 2003, "use as rolling stock moving in
24 interstate commerce" in paragraphs (12) and (13) of Section 2-5

1 means for motor vehicles, as defined in Section 1-146 of the
2 Illinois Vehicle Code, and trailers, as defined in Section
3 1-209 of the Illinois Vehicle Code, when on 15 or more
4 occasions in a 12-month period the motor vehicle and trailer
5 has carried persons or property for hire in interstate
6 commerce, even just between points in Illinois, if the motor
7 vehicle and trailer transports persons whose journeys or
8 property whose shipments originate or terminate outside
9 Illinois. This definition applies to all property purchased for
10 the purpose of being attached to those motor vehicles or
11 trailers as a part thereof.

12 (b) On and after July 1, 2003 and through June 30, 2004,
13 "use as rolling stock moving in interstate commerce" in
14 paragraphs (12) and (13) of Section 2-5 occurs for motor
15 vehicles, as defined in Section 1-146 of the Illinois Vehicle
16 Code, when during a 12-month period the rolling stock has
17 carried persons or property for hire in interstate commerce for
18 51% of its total trips and transports persons whose journeys or
19 property whose shipments originate or terminate outside
20 Illinois. Trips that are only between points in Illinois shall
21 not be counted as interstate trips when calculating whether the
22 tangible personal property qualifies for the exemption but such
23 trips shall be included in total trips taken.

24 (c) Beginning July 1, 2004, "use as rolling stock moving in
25 interstate commerce" in paragraphs (12) and (13) of Section 2-5
26 occurs for motor vehicles, as defined in Section 1-146 of the

1 Illinois Vehicle Code, when during a 12-month period the
2 rolling stock has carried persons or property for hire in
3 interstate commerce for greater than 50% of its total trips for
4 that period or for greater than 50% of its total miles for that
5 period. The person claiming the exemption shall make an
6 election at the time of purchase to use either the trips or
7 mileage method. Persons who purchased motor vehicles prior to
8 July 1, 2004 shall make an election to use either the trips or
9 mileage method and document that election in their books and
10 records. If no election is made under this subsection to use
11 the trips or mileage method, the person shall be deemed to have
12 chosen the mileage method. ~~Any election to use either the trips
13 or mileage method will remain in effect for that motor vehicle
14 for any period for which the Department may issue a notice of
15 tax liability under this Act.~~

16 For purposes of determining qualifying trips or miles,
17 motor vehicles that carry persons or property for hire, even
18 just between points in Illinois, will be considered used for
19 hire in interstate commerce if the motor vehicle transports
20 persons whose journeys or property whose shipments originate or
21 terminate outside Illinois. The exemption for motor vehicles
22 used as rolling stock moving in interstate commerce may be
23 claimed only for the following vehicles: (i) motor vehicles
24 whose gross vehicle weight rating exceeds 16,000 pounds; and
25 (ii) limousines, as defined in Section 1-139.1 of the Illinois
26 Vehicle Code. This definition applies to all property purchased

1 for the purpose of being attached to those motor vehicles as a
2 part thereof.

3 (d) Beginning July 1, 2004, "use as rolling stock moving in
4 interstate commerce" in paragraphs (12) and (13) of Section 2-5
5 occurs for trailers, as defined in Section 1-209 of the
6 Illinois Vehicle Code, semitrailers as defined in Section 1-187
7 of the Illinois Vehicle Code, and pole trailers as defined in
8 Section 1-161 of the Illinois Vehicle Code, when during a
9 12-month period the rolling stock has carried persons or
10 property for hire in interstate commerce for greater than 50%
11 of its total trips for that period or for greater than 50% of
12 its total miles for that period. The person claiming the
13 exemption for a trailer or trailers that will not be dedicated
14 to a motor vehicle or group of motor vehicles shall make an
15 election at the time of purchase to use either the trips or
16 mileage method. Persons who purchased trailers prior to July 1,
17 2004 that are not dedicated to a motor vehicle or group of
18 motor vehicles shall make an election to use either the trips
19 or mileage method and document that election in their books and
20 records. If no election is made under this subsection to use
21 the trips or mileage method, the person shall be deemed to have
22 chosen the mileage method. ~~Any election to use either the trips~~
23 ~~or mileage method will remain in effect for that trailer for~~
24 ~~any period for which the Department may issue a notice of tax~~
25 ~~liability under this Act.~~

26 For purposes of determining qualifying trips or miles,

1 trailers, semitrailers, or pole trailers that carry property
2 for hire, even just between points in Illinois, will be
3 considered used for hire in interstate commerce if the
4 trailers, semitrailers, or pole trailers transport property
5 whose shipments originate or terminate outside Illinois. This
6 definition applies to all property purchased for the purpose of
7 being attached to those trailers, semitrailers, or pole
8 trailers as a part thereof. In lieu of a person providing
9 documentation regarding the qualifying use of each individual
10 trailer, semitrailer, or pole trailer, that person may document
11 such qualifying use by providing documentation of the
12 following:

13 (1) If a trailer, semitrailer, or pole trailer is
14 dedicated to a motor vehicle that qualifies as rolling
15 stock moving in interstate commerce under subsection (c) of
16 this Section, then that trailer, semitrailer, or pole
17 trailer qualifies as rolling stock moving in interstate
18 commerce under this subsection.

19 (2) If a trailer, semitrailer, or pole trailer is
20 dedicated to a group of motor vehicles that all qualify as
21 rolling stock moving in interstate commerce under
22 subsection (c) of this Section, then that trailer,
23 semitrailer, or pole trailer qualifies as rolling stock
24 moving in interstate commerce under this subsection.

25 (3) If one or more trailers, semitrailers, or pole
26 trailers are dedicated to a group of motor vehicles and not

1 all of those motor vehicles in that group qualify as
2 rolling stock moving in interstate commerce under
3 subsection (c) of this Section, then the percentage of
4 those trailers, semitrailers, or pole trailers that
5 qualifies as rolling stock moving in interstate commerce
6 under this subsection is equal to the percentage of those
7 motor vehicles in that group that qualify as rolling stock
8 moving in interstate commerce under subsection (c) of this
9 Section to which those trailers, semitrailers, or pole
10 trailers are dedicated. However, to determine the
11 qualification for the exemption provided under this item
12 (3), the mathematical application of the qualifying
13 percentage to one or more trailers, semitrailers, or pole
14 trailers under this subpart shall not be allowed as to any
15 fraction of a trailer, semitrailer, or pole trailer.

16 (e) Beginning July 1, 2013, "use as rolling stock moving in
17 interstate commerce" in paragraphs (12) and (13) of Section 2-5
18 occurs for aircraft and watercraft when, during a 12-month
19 period, the rolling stock has carried persons or property for
20 hire in interstate commerce for greater than 50% of its total
21 trips for that period or for greater than 50% of its total
22 miles for that period. The person claiming the exemption shall
23 make an election at the time of purchase to use either the
24 trips or mileage method. Persons who purchased aircraft or
25 watercraft prior to July 1, 2013 shall make an election to use
26 either the trips or mileage method and document that election

1 in their books and records. If no election is made under this
2 subsection to use the trips or mileage method, the person shall
3 be deemed to have chosen the mileage method. For aircraft,
4 flight hours may be used in lieu of recording miles in
5 determining whether the aircraft meets the mileage test in this
6 subsection. For watercraft, nautical miles or trip hours may be
7 used in lieu of recording miles in determining whether the
8 watercraft meets the mileage test in this subsection.

9 (f) Any election to use either the trips or mileage method
10 made under the provisions of subsections (c), (d), or (e) of
11 this Section will remain in effect for the life of that item.

12 (Source: P.A. 95-528, eff. 8-28-07.)

13 (35 ILCS 120/5) (from Ch. 120, par. 444)

14 Sec. 5. In case any person engaged in the business of
15 selling tangible personal property at retail fails to file a
16 return when and as herein required, but thereafter, prior to
17 the Department's issuance of a notice of tax liability under
18 this Section, files a return and pays the tax, he shall also
19 pay a penalty in an amount determined in accordance with
20 Section 3-3 of the Uniform Penalty and Interest Act.

21 In case any person engaged in the business of selling
22 tangible personal property at retail files the return at the
23 time required by this Act but fails to pay the tax, or any part
24 thereof, when due, a penalty in an amount determined in
25 accordance with Section 3-3 of the Uniform Penalty and Interest

1 Act shall be added thereto.

2 In case any person engaged in the business of selling
3 tangible personal property at retail fails to file a return
4 when and as herein required, but thereafter, prior to the
5 Department's issuance of a notice of tax liability under this
6 Section, files a return but fails to pay the entire tax, a
7 penalty in an amount determined in accordance with Section 3-3
8 of the Uniform Penalty and Interest Act shall be added thereto.

9 In case any person engaged in the business of selling
10 tangible personal property at retail fails to file a return,
11 the Department shall determine the amount of tax due from him
12 according to its best judgment and information, which amount so
13 fixed by the Department shall be prima facie correct and shall
14 be prima facie evidence of the correctness of the amount of tax
15 due, as shown in such determination. In making any such
16 determination of tax due, it shall be permissible for the
17 Department to show a figure that represents the tax due for any
18 given period of 6 months instead of showing the amount of tax
19 due for each month separately. Proof of such determination by
20 the Department may be made at any hearing before the Department
21 or in any legal proceeding by a reproduced copy or computer
22 print-out of the Department's record relating thereto in the
23 name of the Department under the certificate of the Director of
24 Revenue. If reproduced copies of the Department's records are
25 offered as proof of such determination, the Director must
26 certify that those copies are true and exact copies of records

1 on file with the Department. If computer print-outs of the
2 Department's records are offered as proof of such
3 determination, the Director must certify that those computer
4 print-outs are true and exact representations of records
5 properly entered into standard electronic computing equipment,
6 in the regular course of the Department's business, at or
7 reasonably near the time of the occurrence of the facts
8 recorded, from trustworthy and reliable information. Such
9 certified reproduced copy or certified computer print-out
10 shall, without further proof, be admitted into evidence before
11 the Department or in any legal proceeding and shall be prima
12 facie proof of the correctness of the amount of tax due, as
13 shown therein. The Department shall issue the taxpayer a notice
14 of tax liability for the amount of tax claimed by the
15 Department to be due, together with a penalty of 30% thereof.

16 However, where the failure to file any tax return required
17 under this Act on the date prescribed therefor (including any
18 extensions thereof), is shown to be unintentional and
19 nonfraudulent and has not occurred in the 2 years immediately
20 preceding the failure to file on the prescribed date or is due
21 to other reasonable cause the penalties imposed by this Act
22 shall not apply.

23 The taxpayer or the taxpayer's legal representative may,
24 within 60 days after such notice, file a protest to such notice
25 of tax liability with the Department and request a hearing
26 thereon. The Department shall give notice to such person or the

1 legal representative of such person of the time and place fixed
2 for such hearing, and shall hold a hearing in conformity with
3 the provisions of this Act, and pursuant thereto shall issue a
4 final assessment to such person or to the legal representative
5 of such person for the amount found to be due as a result of
6 such hearing. On and after July 1, 2013, protests concerning
7 matters that are under the jurisdiction of the Illinois
8 Independent Tax Tribunal shall be filed with the Illinois
9 Independent Tax Tribunal in accordance with the Illinois
10 Independent Tax Tribunal Act of 2012, and hearings concerning
11 those matters shall be held before the Tribunal in accordance
12 with that Act. With respect to protests filed with the Illinois
13 Independent Tax Tribunal, the Tribunal shall give notice to
14 that person or the legal representative of that person of the
15 time and place fixed for a hearing, and shall hold a hearing in
16 conformity with the provisions of this Act and the Illinois
17 Independent Tax Tribunal Act of 2012; and pursuant thereto the
18 Department shall issue a final assessment to such person or to
19 the legal representative of such person for the amount found to
20 be due as a result of the hearing. With respect to protests
21 filed with the Department prior to July 1, 2013 that would
22 otherwise be subject to the jurisdiction of the Illinois
23 Independent Tax Tribunal, the taxpayer may elect to be subject
24 to the provisions of the Illinois Independent Tax Tribunal Act
25 of 2012 at any time on or after July 1, 2013, but not later than
26 30 days after the date on which the protest was filed. If made,

1 the election shall be irrevocable.

2 If a protest to the notice of tax liability and a request
3 for a hearing thereon is not filed within 60 days after such
4 notice, such notice of tax liability shall become final without
5 the necessity of a final assessment being issued and shall be
6 deemed to be a final assessment.

7 After the issuance of a final assessment, or a notice of
8 tax liability which becomes final without the necessity of
9 actually issuing a final assessment as hereinbefore provided,
10 the Department, at any time before such assessment is reduced
11 to judgment, may (subject to rules of the Department) grant a
12 rehearing (or grant departmental review and hold an original
13 hearing if no previous hearing in the matter has been held)
14 upon the application of the person aggrieved. Pursuant to such
15 hearing or rehearing, the Department shall issue a revised
16 final assessment to such person or his legal representative for
17 the amount found to be due as a result of such hearing or
18 rehearing.

19 Except in case of failure to file a return, or with the
20 consent of the person to whom the notice of tax liability is to
21 be issued, no notice of tax liability shall be issued on and
22 after each July 1 and January 1 covering gross receipts
23 received during any month or period of time more than 3 years
24 prior to such July 1 and January 1, respectively, except that
25 if a return is not filed at the required time, no a notice of
26 tax liability may be issued on and after each July 1 and

1 January 1 for such return filed more than 3 years prior to such
2 July 1 and January 1, respectively ~~not later than 3 years after~~
3 ~~the time the return is filed.~~ The foregoing limitations upon
4 the issuance of a notice of tax liability shall not apply to
5 the issuance of any such notice with respect to any period of
6 time prior thereto in cases where the Department has, within
7 the period of limitation then provided, notified a person of
8 the amount of tax computed even though the Department had not
9 determined the amount of tax due from such person in the manner
10 required herein prior to the issuance of such notice, but in no
11 case shall the amount of any such notice of tax liability for
12 any period otherwise barred by this Act exceed for such period
13 the amount shown in the notice theretofore issued.

14 If, when a tax or penalty under this Act becomes due and
15 payable, the person alleged to be liable therefor is out of the
16 State, the notice of tax liability may be issued within the
17 times herein limited after his or her coming into or return to
18 the State; and if, after the tax or penalty under this Act
19 becomes due and payable, the person alleged to be liable
20 therefor departs from and remains out of the State, the time of
21 his or her absence is no part of the time limited for the
22 issuance of the notice of tax liability; but the foregoing
23 provisions concerning absence from the State shall not apply to
24 any case in which, at the time when a tax or penalty becomes
25 due under this Act, the person allegedly liable therefor is not
26 a resident of this State.

1 The time limitation period on the Department's right to
2 issue a notice of tax liability shall not run during any period
3 of time in which the order of any court has the effect of
4 enjoining or restraining the Department from issuing the notice
5 of tax liability.

6 In case of failure to pay the tax, or any portion thereof,
7 or any penalty provided for in this Act, or interest, when due,
8 the Department may bring suit to recover the amount of such
9 tax, or portion thereof, or penalty or interest; or, if the
10 taxpayer has died or become a person under legal disability,
11 may file a claim therefor against his estate; provided that no
12 such suit with respect to any tax, or portion thereof, or
13 penalty, or interest shall be instituted more than 6 years
14 after the date any proceedings in court for review thereof have
15 terminated or the time for the taking thereof has expired
16 without such proceedings being instituted, except with the
17 consent of the person from whom such tax or penalty or interest
18 is due; nor, except with such consent, shall such suit be
19 instituted more than 6 years after the date any return is filed
20 with the Department in cases where the return constitutes the
21 basis for the suit for unpaid tax, or portion thereof, or
22 penalty provided for in this Act, or interest: Provided that
23 the time limitation period on the Department's right to bring
24 any such suit shall not run during any period of time in which
25 the order of any court has the effect of enjoining or
26 restraining the Department from bringing such suit.

1 After the expiration of the period within which the person
2 assessed may file an action for judicial review under the
3 Administrative Review Law or the Illinois Independent Tax
4 Tribunal Act of 2012, as applicable, without such an action
5 being filed, a certified copy of the final assessment or
6 revised final assessment of the Department may be filed with
7 the Circuit Court of the county in which the taxpayer has his
8 principal place of business, or of Sangamon County in those
9 cases in which the taxpayer does not have his principal place
10 of business in this State. The certified copy of the final
11 assessment or revised final assessment shall be accompanied by
12 a certification which recites facts that are sufficient to show
13 that the Department complied with the jurisdictional
14 requirements of the Act in arriving at its final assessment or
15 its revised final assessment and that the taxpayer had his
16 opportunity for an administrative hearing and for judicial
17 review, whether he availed himself or herself of either or both
18 of these opportunities or not. If the court is satisfied that
19 the Department complied with the jurisdictional requirements
20 of the Act in arriving at its final assessment or its revised
21 final assessment and that the taxpayer had his opportunity for
22 an administrative hearing and for judicial review, whether he
23 availed himself of either or both of these opportunities or
24 not, the court shall render judgment in favor of the Department
25 and against the taxpayer for the amount shown to be due by the
26 final assessment or the revised final assessment, plus any

1 interest which may be due, and such judgment shall be entered
2 in the judgment docket of the court. Such judgment shall bear
3 the rate of interest as set by the Uniform Penalty and Interest
4 Act, but otherwise shall have the same effect as other
5 judgments. The judgment may be enforced, and all laws
6 applicable to sales for the enforcement of a judgment shall be
7 applicable to sales made under such judgments. The Department
8 shall file the certified copy of its assessment, as herein
9 provided, with the Circuit Court within 6 years after such
10 assessment becomes final except when the taxpayer consents in
11 writing to an extension of such filing period, and except that
12 the time limitation period on the Department's right to file
13 the certified copy of its assessment with the Circuit Court
14 shall not run during any period of time in which the order of
15 any court has the effect of enjoining or restraining the
16 Department from filing such certified copy of its assessment
17 with the Circuit Court.

18 If, when the cause of action for a proceeding in court
19 accrues against a person, he or she is out of the State, the
20 action may be commenced within the times herein limited, after
21 his or her coming into or return to the State; and if, after
22 the cause of action accrues, he or she departs from and remains
23 out of the State, the time of his or her absence is no part of
24 the time limited for the commencement of the action; but the
25 foregoing provisions concerning absence from the State shall
26 not apply to any case in which, at the time the cause of action

1 accrues, the party against whom the cause of action accrues is
2 not a resident of this State. The time within which a court
3 action is to be commenced by the Department hereunder shall not
4 run from the date the taxpayer files a petition in bankruptcy
5 under the Federal Bankruptcy Act until 30 days after notice of
6 termination or expiration of the automatic stay imposed by the
7 Federal Bankruptcy Act.

8 No claim shall be filed against the estate of any deceased
9 person or any person under legal disability for any tax or
10 penalty or part of either, or interest, except in the manner
11 prescribed and within the time limited by the Probate Act of
12 1975, as amended.

13 The collection of tax or penalty or interest by any means
14 provided for herein shall not be a bar to any prosecution under
15 this Act.

16 In addition to any penalty provided for in this Act, any
17 amount of tax which is not paid when due shall bear interest at
18 the rate and in the manner specified in Sections 3-2 and 3-9 of
19 the Uniform Penalty and Interest Act from the date when such
20 tax becomes past due until such tax is paid or a judgment
21 therefor is obtained by the Department. If the time for making
22 or completing an audit of a taxpayer's books and records is
23 extended with the taxpayer's consent, at the request of and for
24 the convenience of the Department, beyond the date on which the
25 statute of limitations upon the issuance of a notice of tax
26 liability by the Department otherwise would run, no interest

1 shall accrue during the period of such extension or until a
2 Notice of Tax Liability is issued, whichever occurs first.

3 In addition to any other remedy provided by this Act, and
4 regardless of whether the Department is making or intends to
5 make use of such other remedy, where a corporation or limited
6 liability company registered under this Act violates the
7 provisions of this Act or of any rule or regulation promulgated
8 thereunder, the Department may give notice to the Attorney
9 General of the identity of such a corporation or limited
10 liability company and of the violations committed by such a
11 corporation or limited liability company, for such action as is
12 not already provided for by this Act and as the Attorney
13 General may deem appropriate.

14 If the Department determines that an amount of tax or
15 penalty or interest was incorrectly assessed, whether as the
16 result of a mistake of fact or an error of law, the Department
17 shall waive the amount of tax or penalty or interest that
18 accrued due to the incorrect assessment.

19 (Source: P.A. 96-1383, eff. 1-1-11; 97-1129, eff. 8-28-12;
20 revised 10-10-12.)

21 Section 30. The Counties Code is amended by changing
22 Sections 5-1006.5 and 5-1006.7 as follows:

23 (55 ILCS 5/5-1006.5)

24 Sec. 5-1006.5. Special County Retailers' Occupation Tax

1 For Public Safety, Public Facilities, or Transportation.

2 (a) The county board of any county may impose a tax upon
3 all persons engaged in the business of selling tangible
4 personal property, other than personal property titled or
5 registered with an agency of this State's government, at retail
6 in the county on the gross receipts from the sales made in the
7 course of business to provide revenue to be used exclusively
8 for public safety, public facility, or transportation purposes
9 in that county, if a proposition for the tax has been submitted
10 to the electors of that county and approved by a majority of
11 those voting on the question. If imposed, this tax shall be
12 imposed only in one-quarter percent increments. By resolution,
13 the county board may order the proposition to be submitted at
14 any election. If the tax is imposed for transportation purposes
15 for expenditures for public highways or as authorized under the
16 Illinois Highway Code, the county board must publish notice of
17 the existence of its long-range highway transportation plan as
18 required or described in Section 5-301 of the Illinois Highway
19 Code and must make the plan publicly available prior to
20 approval of the ordinance or resolution imposing the tax. If
21 the tax is imposed for transportation purposes for expenditures
22 for passenger rail transportation, the county board must
23 publish notice of the existence of its long-range passenger
24 rail transportation plan and must make the plan publicly
25 available prior to approval of the ordinance or resolution
26 imposing the tax.

1 If a tax is imposed for public facilities purposes, then
2 the name of the project may be included in the proposition at
3 the discretion of the county board as determined in the
4 enabling resolution. For example, the "XXX Nursing Home" or the
5 "YYY Museum".

6 The county clerk shall certify the question to the proper
7 election authority, who shall submit the proposition at an
8 election in accordance with the general election law.

9 (1) The proposition for public safety purposes shall be
10 in substantially the following form:

11 "To pay for public safety purposes, shall (name of
12 county) be authorized to impose an increase on its share of
13 local sales taxes by (insert rate)?"

14 As additional information on the ballot below the
15 question shall appear the following:

16 "This would mean that a consumer would pay an
17 additional (insert amount) in sales tax for every \$100 of
18 tangible personal property bought at retail."

19 The county board may also opt to establish a sunset
20 provision at which time the additional sales tax would
21 cease being collected, if not terminated earlier by a vote
22 of the county board. If the county board votes to include a
23 sunset provision, the proposition for public safety
24 purposes shall be in substantially the following form:

25 "To pay for public safety purposes, shall (name of
26 county) be authorized to impose an increase on its share of

1 local sales taxes by (insert rate) for a period not to
2 exceed (insert number of years)?"

3 As additional information on the ballot below the
4 question shall appear the following:

5 "This would mean that a consumer would pay an
6 additional (insert amount) in sales tax for every \$100 of
7 tangible personal property bought at retail. If imposed,
8 the additional tax would cease being collected at the end
9 of (insert number of years), if not terminated earlier by a
10 vote of the county board."

11 For the purposes of the paragraph, "public safety
12 purposes" means crime prevention, detention, fire
13 fighting, police, medical, ambulance, or other emergency
14 services.

15 Votes shall be recorded as "Yes" or "No".

16 (2) The proposition for transportation purposes shall
17 be in substantially the following form:

18 "To pay for improvements to roads and other
19 transportation purposes, shall (name of county) be
20 authorized to impose an increase on its share of local
21 sales taxes by (insert rate)?"

22 As additional information on the ballot below the
23 question shall appear the following:

24 "This would mean that a consumer would pay an
25 additional (insert amount) in sales tax for every \$100 of
26 tangible personal property bought at retail."

1 The county board may also opt to establish a sunset
2 provision at which time the additional sales tax would
3 cease being collected, if not terminated earlier by a vote
4 of the county board. If the county board votes to include a
5 sunset provision, the proposition for transportation
6 purposes shall be in substantially the following form:

7 "To pay for road improvements and other transportation
8 purposes, shall (name of county) be authorized to impose an
9 increase on its share of local sales taxes by (insert rate)
10 for a period not to exceed (insert number of years)?"

11 As additional information on the ballot below the
12 question shall appear the following:

13 "This would mean that a consumer would pay an
14 additional (insert amount) in sales tax for every \$100 of
15 tangible personal property bought at retail. If imposed,
16 the additional tax would cease being collected at the end
17 of (insert number of years), if not terminated earlier by a
18 vote of the county board."

19 For the purposes of this paragraph, transportation
20 purposes means construction, maintenance, operation, and
21 improvement of public highways, any other purpose for which
22 a county may expend funds under the Illinois Highway Code,
23 and passenger rail transportation.

24 The votes shall be recorded as "Yes" or "No".

25 (3) The proposition for public facilities purposes
26 shall be in substantially the following form:

1 "To pay for public facilities purposes, shall (name of
2 county) be authorized to impose an increase on its share of
3 local sales taxes by (insert rate)?"

4 As additional information on the ballot below the
5 question shall appear the following:

6 "This would mean that a consumer would pay an
7 additional (insert amount) in sales tax for every \$100 of
8 tangible personal property bought at retail."

9 The county board may also opt to establish a sunset
10 provision at which time the additional sales tax would
11 cease being collected, if not terminated earlier by a vote
12 of the county board. If the county board votes to include a
13 sunset provision, the proposition for public facilities
14 purposes shall be in substantially the following form:

15 "To pay for public facilities purposes, shall (name of
16 county) be authorized to impose an increase on its share of
17 local sales taxes by (insert rate) for a period not to
18 exceed (insert number of years)?"

19 As additional information on the ballot below the
20 question shall appear the following:

21 "This would mean that a consumer would pay an
22 additional (insert amount) in sales tax for every \$100 of
23 tangible personal property bought at retail. If imposed,
24 the additional tax would cease being collected at the end
25 of (insert number of years), if not terminated earlier by a
26 vote of the county board."

1 For purposes of this Section, "public facilities
2 purposes" means the acquisition, development,
3 construction, reconstruction, rehabilitation, improvement,
4 financing, architectural planning, and installation of
5 capital facilities consisting of buildings, structures,
6 and durable equipment and for the acquisition and
7 improvement of real property and interest in real property
8 required, or expected to be required, in connection with
9 the public facilities, for use by the county for the
10 furnishing of governmental services to its citizens,
11 including but not limited to museums and nursing homes.

12 The votes shall be recorded as "Yes" or "No".

13 If a majority of the electors voting on the proposition
14 vote in favor of it, the county may impose the tax. A county
15 may not submit more than one proposition authorized by this
16 Section to the electors at any one time.

17 This additional tax may not be imposed on the sales of food
18 for human consumption that is to be consumed off the premises
19 where it is sold (other than alcoholic beverages, soft drinks,
20 and food which has been prepared for immediate consumption) and
21 prescription and non-prescription medicines, drugs, medical
22 appliances and insulin, urine testing materials, syringes, and
23 needles used by diabetics. The tax imposed by a county under
24 this Section and all civil penalties that may be assessed as an
25 incident of the tax shall be collected and enforced by the
26 Illinois Department of Revenue and deposited into a special

1 fund created for that purpose. The certificate of registration
2 that is issued by the Department to a retailer under the
3 Retailers' Occupation Tax Act shall permit the retailer to
4 engage in a business that is taxable without registering
5 separately with the Department under an ordinance or resolution
6 under this Section. The Department has full power to administer
7 and enforce this Section, to collect all taxes and penalties
8 due under this Section, to dispose of taxes and penalties so
9 collected in the manner provided in this Section, and to
10 determine all rights to credit memoranda arising on account of
11 the erroneous payment of a tax or penalty under this Section.
12 In the administration of and compliance with this Section, the
13 Department and persons who are subject to this Section shall
14 (i) have the same rights, remedies, privileges, immunities,
15 powers, and duties, (ii) be subject to the same conditions,
16 restrictions, limitations, penalties, and definitions of
17 terms, and (iii) employ the same modes of procedure as are
18 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
19 1n, 2 through 2-70 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
21 (except provisions relating to transaction returns and quarter
22 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
23 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of
24 the Retailers' Occupation Tax Act and Section 3-7 of the
25 Uniform Penalty and Interest Act as if those provisions were
26 set forth in this Section.

1 Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 sellers' tax liability by separately stating the tax as an
4 additional charge, which charge may be stated in combination,
5 in a single amount, with State tax which sellers are required
6 to collect under the Use Tax Act, pursuant to such bracketed
7 schedules as the Department may prescribe.

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified and to the person named in the notification
13 from the Department. The refund shall be paid by the State
14 Treasurer out of the County Public Safety or Transportation
15 Retailers' Occupation Tax Fund.

16 (b) If a tax has been imposed under subsection (a), a
17 service occupation tax shall also be imposed at the same rate
18 upon all persons engaged, in the county, in the business of
19 making sales of service, who, as an incident to making those
20 sales of service, transfer tangible personal property within
21 the county as an incident to a sale of service. This tax may
22 not be imposed on sales of food for human consumption that is
23 to be consumed off the premises where it is sold (other than
24 alcoholic beverages, soft drinks, and food prepared for
25 immediate consumption) and prescription and non-prescription
26 medicines, drugs, medical appliances and insulin, urine

1 testing materials, syringes, and needles used by diabetics. The
2 tax imposed under this subsection and all civil penalties that
3 may be assessed as an incident thereof shall be collected and
4 enforced by the Department of Revenue. The Department has full
5 power to administer and enforce this subsection; to collect all
6 taxes and penalties due hereunder; to dispose of taxes and
7 penalties so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda arising on account
9 of the erroneous payment of tax or penalty hereunder. In the
10 administration of, and compliance with this subsection, the
11 Department and persons who are subject to this paragraph shall
12 (i) have the same rights, remedies, privileges, immunities,
13 powers, and duties, (ii) be subject to the same conditions,
14 restrictions, limitations, penalties, exclusions, exemptions,
15 and definitions of terms, and (iii) employ the same modes of
16 procedure as are prescribed in Sections 2 (except that the
17 reference to State in the definition of supplier maintaining a
18 place of business in this State shall mean the county), 2a, 2b,
19 2c, 3 through 3-50 (in respect to all provisions therein other
20 than the State rate of tax), 4 (except that the reference to
21 the State shall be to the county), 5, 7, 8 (except that the
22 jurisdiction to which the tax shall be a debt to the extent
23 indicated in that Section 8 shall be the county), 9 (except as
24 to the disposition of taxes and penalties collected), 10, 11,
25 12 (except the reference therein to Section 2b of the
26 Retailers' Occupation Tax Act), 13 (except that any reference

1 to the State shall mean the county), Section 15, 16, 17, 18, 19
2 and 20 of the Service Occupation Tax Act and Section 3-7 of the
3 Uniform Penalty and Interest Act, as fully as if those
4 provisions were set forth herein.

5 Persons subject to any tax imposed under the authority
6 granted in this subsection may reimburse themselves for their
7 serviceman's tax liability by separately stating the tax as an
8 additional charge, which charge may be stated in combination,
9 in a single amount, with State tax that servicemen are
10 authorized to collect under the Service Use Tax Act, in
11 accordance with such bracket schedules as the Department may
12 prescribe.

13 Whenever the Department determines that a refund should be
14 made under this subsection to a claimant instead of issuing a
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the warrant to be drawn for the
17 amount specified, and to the person named, in the notification
18 from the Department. The refund shall be paid by the State
19 Treasurer out of the County Public Safety or Transportation
20 Retailers' Occupation Fund.

21 Nothing in this subsection shall be construed to authorize
22 the county to impose a tax upon the privilege of engaging in
23 any business which under the Constitution of the United States
24 may not be made the subject of taxation by the State.

25 (c) The Department shall immediately pay over to the State
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected under this Section to be deposited into the County
2 Public Safety or Transportation Retailers' Occupation Tax
3 Fund, which shall be an unappropriated trust fund held outside
4 of the State treasury.

5 As soon as possible after the first day of each month,
6 beginning January 1, 2011, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Innovation
10 Development and Economy Act, collected under this Section
11 during the second preceding calendar month for sales within a
12 STAR bond district.

13 After the monthly transfer to the STAR Bonds Revenue Fund,
14 on or before the 25th day of each calendar month, the
15 Department shall prepare and certify to the Comptroller the
16 disbursement of stated sums of money to the counties from which
17 retailers have paid taxes or penalties to the Department during
18 the second preceding calendar month. The amount to be paid to
19 each county, and deposited by the county into its special fund
20 created for the purposes of this Section, shall be the amount
21 (not including credit memoranda) collected under this Section
22 during the second preceding calendar month by the Department
23 plus an amount the Department determines is necessary to offset
24 any amounts that were erroneously paid to a different taxing
25 body, and not including (i) an amount equal to the amount of
26 refunds made during the second preceding calendar month by the

1 Department on behalf of the county, (ii) any amount that the
2 Department determines is necessary to offset any amounts that
3 were payable to a different taxing body but were erroneously
4 paid to the county, and (iii) any amounts that are transferred
5 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
6 the Comptroller of the disbursement certification to the
7 counties provided for in this Section to be given to the
8 Comptroller by the Department, the Comptroller shall cause the
9 orders to be drawn for the respective amounts in accordance
10 with directions contained in the certification.

11 In addition to the disbursement required by the preceding
12 paragraph, an allocation shall be made in March of each year to
13 each county that received more than \$500,000 in disbursements
14 under the preceding paragraph in the preceding calendar year.
15 The allocation shall be in an amount equal to the average
16 monthly distribution made to each such county under the
17 preceding paragraph during the preceding calendar year
18 (excluding the 2 months of highest receipts). The distribution
19 made in March of each year subsequent to the year in which an
20 allocation was made pursuant to this paragraph and the
21 preceding paragraph shall be reduced by the amount allocated
22 and disbursed under this paragraph in the preceding calendar
23 year. The Department shall prepare and certify to the
24 Comptroller for disbursement the allocations made in
25 accordance with this paragraph.

26 A county may direct, by ordinance, that all or a portion of

1 the taxes and penalties collected under the Special County
2 Retailers' Occupation Tax For Public Safety or Transportation
3 be deposited into the Transportation Development Partnership
4 Trust Fund.

5 (d) For the purpose of determining the local governmental
6 unit whose tax is applicable, a retail sale by a producer of
7 coal or another mineral mined in Illinois is a sale at retail
8 at the place where the coal or other mineral mined in Illinois
9 is extracted from the earth. This paragraph does not apply to
10 coal or another mineral when it is delivered or shipped by the
11 seller to the purchaser at a point outside Illinois so that the
12 sale is exempt under the United States Constitution as a sale
13 in interstate or foreign commerce.

14 (e) Nothing in this Section shall be construed to authorize
15 a county to impose a tax upon the privilege of engaging in any
16 business that under the Constitution of the United States may
17 not be made the subject of taxation by this State.

18 (e-5) If a county imposes a tax under this Section, the
19 county board may, by ordinance, discontinue or lower the rate
20 of the tax. If the county board lowers the tax rate or
21 discontinues the tax, a referendum must be held in accordance
22 with subsection (a) of this Section in order to increase the
23 rate of the tax or to reimpose the discontinued tax.

24 (f) Beginning April 1, 1998 and through December 31, 2013 ,
25 the results of any election authorizing a proposition to impose
26 a tax under this Section or effecting a change in the rate of

1 tax, or any ordinance lowering the rate or discontinuing the
2 tax, shall be certified by the county clerk and filed with the
3 Illinois Department of Revenue either (i) on or before the
4 first day of April, whereupon the Department shall proceed to
5 administer and enforce the tax as of the first day of July next
6 following the filing; or (ii) on or before the first day of
7 October, whereupon the Department shall proceed to administer
8 and enforce the tax as of the first day of January next
9 following the filing.

10 Beginning January 1, 2014, the results of any election
11 authorizing a proposition to impose a tax under this Section or
12 effecting an increase in the rate of tax, along with the
13 ordinance adopted to impose the tax or increase the rate of the
14 tax, or any ordinance adopted to lower the rate or discontinue
15 the tax, shall be certified by the county clerk and filed with
16 the Illinois Department of Revenue either (i) on or before the
17 first day of May, whereupon the Department shall proceed to
18 administer and enforce the tax as of the first day of July next
19 following the adoption and filing; or (ii) on or before the
20 first day of October, whereupon the Department shall proceed to
21 administer and enforce the tax as of the first day of January
22 next following the adoption and filing.

23 (g) When certifying the amount of a monthly disbursement to
24 a county under this Section, the Department shall increase or
25 decrease the amounts by an amount necessary to offset any
26 miscalculation of previous disbursements. The offset amount

1 shall be the amount erroneously disbursed within the previous 6
2 months from the time a miscalculation is discovered.

3 (h) This Section may be cited as the "Special County
4 Occupation Tax For Public Safety, Public Facilities, or
5 Transportation Law".

6 (i) For purposes of this Section, "public safety" includes,
7 but is not limited to, crime prevention, detention, fire
8 fighting, police, medical, ambulance, or other emergency
9 services. The county may share tax proceeds received under this
10 Section for public safety purposes, including proceeds
11 received before August 4, 2009 (the effective date of Public
12 Act 96-124), with any fire protection district located in the
13 county. For the purposes of this Section, "transportation"
14 includes, but is not limited to, the construction, maintenance,
15 operation, and improvement of public highways, any other
16 purpose for which a county may expend funds under the Illinois
17 Highway Code, and passenger rail transportation. For the
18 purposes of this Section, "public facilities purposes"
19 includes, but is not limited to, the acquisition, development,
20 construction, reconstruction, rehabilitation, improvement,
21 financing, architectural planning, and installation of capital
22 facilities consisting of buildings, structures, and durable
23 equipment and for the acquisition and improvement of real
24 property and interest in real property required, or expected to
25 be required, in connection with the public facilities, for use
26 by the county for the furnishing of governmental services to

1 its citizens, including but not limited to museums and nursing
2 homes.

3 (j) The Department may promulgate rules to implement Public
4 Act 95-1002 only to the extent necessary to apply the existing
5 rules for the Special County Retailers' Occupation Tax for
6 Public Safety to this new purpose for public facilities.

7 (Source: P.A. 96-124, eff. 8-4-09; 96-622, eff. 8-24-09;
8 96-845, eff. 7-1-12; 96-939, eff. 6-24-10; 96-1000, eff.
9 7-2-10.)

10 (55 ILCS 5/5-1006.7)

11 Sec. 5-1006.7. School facility occupation taxes.

12 (a) In any county, a tax shall be imposed upon all persons
13 engaged in the business of selling tangible personal property,
14 other than personal property titled or registered with an
15 agency of this State's government, at retail in the county on
16 the gross receipts from the sales made in the course of
17 business to provide revenue to be used exclusively for school
18 facility purposes if a proposition for the tax has been
19 submitted to the electors of that county and approved by a
20 majority of those voting on the question as provided in
21 subsection (c). The tax under this Section shall be imposed
22 only in one-quarter percent increments and may not exceed 1%.

23 This additional tax may not be imposed on the sale of food
24 for human consumption that is to be consumed off the premises
25 where it is sold (other than alcoholic beverages, soft drinks,

1 and food that has been prepared for immediate consumption) and
2 prescription and non-prescription medicines, drugs, medical
3 appliances and insulin, urine testing materials, syringes and
4 needles used by diabetics. The Department of Revenue has full
5 power to administer and enforce this subsection, to collect all
6 taxes and penalties due under this subsection, to dispose of
7 taxes and penalties so collected in the manner provided in this
8 subsection, and to determine all rights to credit memoranda
9 arising on account of the erroneous payment of a tax or penalty
10 under this subsection. The Department shall deposit all taxes
11 and penalties collected under this subsection into a special
12 fund created for that purpose.

13 In the administration of and compliance with this
14 subsection, the Department and persons who are subject to this
15 subsection (i) have the same rights, remedies, privileges,
16 immunities, powers, and duties, (ii) are subject to the same
17 conditions, restrictions, limitations, penalties, and
18 definitions of terms, and (iii) shall employ the same modes of
19 procedure as are set forth in Sections 1 through 1o, 2 through
20 2-70 (in respect to all provisions contained in those Sections
21 other than the State rate of tax), 2a through 2h, 3 (except as
22 to the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,
24 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
25 and all provisions of the Uniform Penalty and Interest Act as
26 if those provisions were set forth in this subsection.

1 The certificate of registration that is issued by the
2 Department to a retailer under the Retailers' Occupation Tax
3 Act permits the retailer to engage in a business that is
4 taxable without registering separately with the Department
5 under an ordinance or resolution under this subsection.

6 Persons subject to any tax imposed under the authority
7 granted in this subsection may reimburse themselves for their
8 seller's tax liability by separately stating that tax as an
9 additional charge, which may be stated in combination, in a
10 single amount, with State tax that sellers are required to
11 collect under the Use Tax Act, pursuant to any bracketed
12 schedules set forth by the Department.

13 (b) If a tax has been imposed under subsection (a), then a
14 service occupation tax must also be imposed at the same rate
15 upon all persons engaged, in the county, in the business of
16 making sales of service, who, as an incident to making those
17 sales of service, transfer tangible personal property within
18 the county as an incident to a sale of service.

19 This tax may not be imposed on sales of food for human
20 consumption that is to be consumed off the premises where it is
21 sold (other than alcoholic beverages, soft drinks, and food
22 prepared for immediate consumption) and prescription and
23 non-prescription medicines, drugs, medical appliances and
24 insulin, urine testing materials, syringes, and needles used by
25 diabetics.

26 The tax imposed under this subsection and all civil

1 penalties that may be assessed as an incident thereof shall be
2 collected and enforced by the Department and deposited into a
3 special fund created for that purpose. The Department has full
4 power to administer and enforce this subsection, to collect all
5 taxes and penalties due under this subsection, to dispose of
6 taxes and penalties so collected in the manner provided in this
7 subsection, and to determine all rights to credit memoranda
8 arising on account of the erroneous payment of a tax or penalty
9 under this subsection.

10 In the administration of and compliance with this
11 subsection, the Department and persons who are subject to this
12 subsection shall (i) have the same rights, remedies,
13 privileges, immunities, powers and duties, (ii) be subject to
14 the same conditions, restrictions, limitations, penalties and
15 definition of terms, and (iii) employ the same modes of
16 procedure as are set forth in Sections 2 (except that that
17 reference to State in the definition of supplier maintaining a
18 place of business in this State means the county), 2a through
19 2d, 3 through 3-50 (in respect to all provisions contained in
20 those Sections other than the State rate of tax), 4 (except
21 that the reference to the State shall be to the county), 5, 7,
22 8 (except that the jurisdiction to which the tax is a debt to
23 the extent indicated in that Section 8 is the county), 9
24 (except as to the disposition of taxes and penalties
25 collected), 10, 11, 12 (except the reference therein to Section
26 2b of the Retailers' Occupation Tax Act), 13 (except that any

1 reference to the State means the county), Section 15, 16, 17,
2 18, 19, and 20 of the Service Occupation Tax Act and all
3 provisions of the Uniform Penalty and Interest Act, as fully as
4 if those provisions were set forth herein.

5 Persons subject to any tax imposed under the authority
6 granted in this subsection may reimburse themselves for their
7 serviceman's tax liability by separately stating the tax as an
8 additional charge, which may be stated in combination, in a
9 single amount, with State tax that servicemen are authorized to
10 collect under the Service Use Tax Act, pursuant to any
11 bracketed schedules set forth by the Department.

12 (c) The tax under this Section may not be imposed until the
13 question of imposing the tax has been submitted to the electors
14 of the county at a regular election and approved by a majority
15 of the electors voting on the question. For all regular
16 elections held prior to the effective date of this amendatory
17 Act of the 97th General Assembly, upon a resolution by the
18 county board or a resolution by school district boards that
19 represent at least 51% of the student enrollment within the
20 county, the county board must certify the question to the
21 proper election authority in accordance with the Election Code.

22 For all regular elections held prior to the effective date
23 of this amendatory Act of the 97th General Assembly, the
24 election authority must submit the question in substantially
25 the following form:

26 Shall (name of county) be authorized to impose a

1 retailers' occupation tax and a service occupation tax
2 (commonly referred to as a "sales tax") at a rate of
3 (insert rate) to be used exclusively for school facility
4 purposes?

5 The election authority must record the votes as "Yes" or "No".

6 If a majority of the electors voting on the question vote
7 in the affirmative, then the county may, thereafter, impose the
8 tax.

9 For all regular elections held on or after the effective
10 date of this amendatory Act of the 97th General Assembly, the
11 regional superintendent of schools for the county must, upon
12 receipt of a resolution or resolutions of school district
13 boards that represent more than 50% of the student enrollment
14 within the county, certify the question to the proper election
15 authority for submission to the electors of the county at the
16 next regular election at which the question lawfully may be
17 submitted to the electors, all in accordance with the Election
18 Code.

19 For all regular elections held on or after the effective
20 date of this amendatory Act of the 97th General Assembly, the
21 election authority must submit the question in substantially
22 the following form:

23 Shall a retailers' occupation tax and a service
24 occupation tax (commonly referred to as a "sales tax") be
25 imposed in (name of county) at a rate of (insert rate) to
26 be used exclusively for school facility purposes?

1 The election authority must record the votes as "Yes" or "No".

2 If a majority of the electors voting on the question vote
3 in the affirmative, then the tax shall be imposed at the rate
4 set forth in the question.

5 For the purposes of this subsection (c), "enrollment" means
6 the head count of the students residing in the county on the
7 last school day of September of each year, which must be
8 reported on the Illinois State Board of Education Public School
9 Fall Enrollment/Housing Report.

10 (d) The Department shall immediately pay over to the State
11 Treasurer, ex officio, as trustee, all taxes and penalties
12 collected under this Section to be deposited into the School
13 Facility Occupation Tax Fund, which shall be an unappropriated
14 trust fund held outside the State treasury.

15 On or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the regional
18 superintendents of schools in counties from which retailers or
19 servicemen have paid taxes or penalties to the Department
20 during the second preceding calendar month. The amount to be
21 paid to each regional superintendent of schools and disbursed
22 to him or her in accordance with Section 3-14.31 of the School
23 Code, is equal to the amount (not including credit memoranda)
24 collected from the county under this Section during the second
25 preceding calendar month by the Department, (i) less 2% of that
26 amount, which shall be deposited into the Tax Compliance and

1 Administration Fund and shall be used by the Department,
2 subject to appropriation, to cover the costs of the Department
3 in administering and enforcing the provisions of this Section,
4 on behalf of the county, (ii) plus an amount that the
5 Department determines is necessary to offset any amounts that
6 were erroneously paid to a different taxing body; (iii) less an
7 amount equal to the amount of refunds made during the second
8 preceding calendar month by the Department on behalf of the
9 county; and (iv) less any amount that the Department determines
10 is necessary to offset any amounts that were payable to a
11 different taxing body but were erroneously paid to the county.
12 When certifying the amount of a monthly disbursement to a
13 regional superintendent of schools under this Section, the
14 Department shall increase or decrease the amounts by an amount
15 necessary to offset any miscalculation of previous
16 disbursements within the previous 6 months from the time a
17 miscalculation is discovered.

18 Within 10 days after receipt by the Comptroller from the
19 Department of the disbursement certification to the regional
20 superintendents of the schools provided for in this Section,
21 the Comptroller shall cause the orders to be drawn for the
22 respective amounts in accordance with directions contained in
23 the certification.

24 If the Department determines that a refund should be made
25 under this Section to a claimant instead of issuing a credit
26 memorandum, then the Department shall notify the Comptroller,

1 who shall cause the order to be drawn for the amount specified
2 and to the person named in the notification from the
3 Department. The refund shall be paid by the Treasurer out of
4 the School Facility Occupation Tax Fund.

5 (e) For the purposes of determining the local governmental
6 unit whose tax is applicable, a retail sale by a producer of
7 coal or another mineral mined in Illinois is a sale at retail
8 at the place where the coal or other mineral mined in Illinois
9 is extracted from the earth. This subsection does not apply to
10 coal or another mineral when it is delivered or shipped by the
11 seller to the purchaser at a point outside Illinois so that the
12 sale is exempt under the United States Constitution as a sale
13 in interstate or foreign commerce.

14 (f) Nothing in this Section may be construed to authorize a
15 tax to be imposed upon the privilege of engaging in any
16 business that under the Constitution of the United States may
17 not be made the subject of taxation by this State.

18 (g) If a county board imposes a tax under this Section
19 pursuant to a referendum held before the effective date of this
20 amendatory Act of the 97th General Assembly at a rate below the
21 rate set forth in the question approved by a majority of
22 electors of that county voting on the question as provided in
23 subsection (c), then the county board may, by ordinance,
24 increase the rate of the tax up to the rate set forth in the
25 question approved by a majority of electors of that county
26 voting on the question as provided in subsection (c). If a

1 county board imposes a tax under this Section pursuant to a
2 referendum held before the effective date of this amendatory
3 Act of the 97th General Assembly, then the board may, by
4 ordinance, discontinue or reduce the rate of the tax. If a tax
5 is imposed under this Section pursuant to a referendum held on
6 or after the effective date of this amendatory Act of the 97th
7 General Assembly, then the county board may reduce or
8 discontinue the tax, but only in accordance with subsection
9 (h-5) of this Section. If, however, a school board issues bonds
10 that are secured by the proceeds of the tax under this Section,
11 then the county board may not reduce the tax rate or
12 discontinue the tax if that rate reduction or discontinuance
13 would adversely affect the school board's ability to pay the
14 principal and interest on those bonds as they become due or
15 necessitate the extension of additional property taxes to pay
16 the principal and interest on those bonds. If the county board
17 reduces the tax rate or discontinues the tax, then a referendum
18 must be held in accordance with subsection (c) of this Section
19 in order to increase the rate of the tax or to reimpose the
20 discontinued tax.

21 Until January 1, 2014, the ~~The~~ results of any election that
22 imposes, reduces, or discontinues a tax under this Section must
23 be certified by the election authority, and any ordinance that
24 increases or lowers the rate or discontinues the tax must be
25 certified by the county clerk and, in each case, filed with the
26 Illinois Department of Revenue either (i) on or before the

1 first day of April, whereupon the Department shall proceed to
2 administer and enforce the tax or change in the rate as of the
3 first day of July next following the filing; or (ii) on or
4 before the first day of October, whereupon the Department shall
5 proceed to administer and enforce the tax or change in the rate
6 as of the first day of January next following the filing.

7 Beginning January 1, 2014, the results of any election that
8 imposes, reduces, or discontinues a tax under this Section must
9 be certified by the election authority, and any ordinance that
10 increases or lowers the rate or discontinues the tax must be
11 certified by the county clerk and, in each case, filed with the
12 Illinois Department of Revenue either (i) on or before the
13 first day of May, whereupon the Department shall proceed to
14 administer and enforce the tax or change in the rate as of the
15 first day of July next following the filing; or (ii) on or
16 before the first day of October, whereupon the Department shall
17 proceed to administer and enforce the tax or change in the rate
18 as of the first day of January next following the filing.

19 (h) For purposes of this Section, "school facility
20 purposes" means (i) the acquisition, development,
21 construction, reconstruction, rehabilitation, improvement,
22 financing, architectural planning, and installation of capital
23 facilities consisting of buildings, structures, and durable
24 equipment and for the acquisition and improvement of real
25 property and interest in real property required, or expected to
26 be required, in connection with the capital facilities and (ii)

1 the payment of bonds or other obligations heretofore or
2 hereafter issued, including bonds or other obligations
3 heretofore or hereafter issued to refund or to continue to
4 refund bonds or other obligations issued, for school facility
5 purposes, provided that the taxes levied to pay those bonds are
6 abated by the amount of the taxes imposed under this Section
7 that are used to pay those bonds. "School-facility purposes"
8 also includes fire prevention, safety, energy conservation,
9 disabled accessibility, school security, and specified repair
10 purposes set forth under Section 17-2.11 of the School Code.

11 (h-5) A county board in a county where a tax has been
12 imposed under this Section pursuant to a referendum held on or
13 after the effective date of this amendatory Act of the 97th
14 General Assembly may, by ordinance or resolution, submit to the
15 voters of the county the question of reducing or discontinuing
16 the tax. In the ordinance or resolution, the county board shall
17 certify the question to the proper election authority in
18 accordance with the Election Code. The election authority must
19 submit the question in substantially the following form:

20 Shall the school facility retailers' occupation tax
21 and service occupation tax (commonly referred to as the
22 "school facility sales tax") currently imposed in (name of
23 county) at a rate of (insert rate) be (reduced to (insert
24 rate)) (discontinued)?

25 If a majority of the electors voting on the question vote in
26 the affirmative, then, subject to the provisions of subsection

1 (g) of this Section, the tax shall be reduced or discontinued
2 as set forth in the question.

3 (i) This Section does not apply to Cook County.

4 (j) This Section may be cited as the County School Facility
5 Occupation Tax Law.

6 (Source: P.A. 97-542, eff. 8-23-11; 97-813, eff. 7-13-12.)

7 (55 ILCS 5/5-1035 rep.)

8 Section 40. The Counties Code is amended by repealing
9 Section 5-1035.

10 Section 45. The Illinois Municipal Code is amended by
11 changing Section 8-11-1.1 as follows:

12 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

13 Sec. 8-11-1.1. Non-home rule municipalities; imposition of
14 taxes.

15 (a) The corporate authorities of a non-home rule
16 municipality may, upon approval of the electors of the
17 municipality pursuant to subsection (b) of this Section, impose
18 by ordinance or resolution the tax authorized in Sections
19 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act.

20 (b) The corporate authorities of the municipality may by
21 ordinance or resolution call for the submission to the electors
22 of the municipality the question of whether the municipality
23 shall impose such tax. Such question shall be certified by the

1 municipal clerk to the election authority in accordance with
2 Section 28-5 of the Election Code and shall be in a form in
3 accordance with Section 16-7 of the Election Code.

4 Notwithstanding any provision of law to the contrary, if
5 the proceeds of the tax may be used for municipal operations
6 pursuant to Section 8-11-1.3, 8-11-1.4, or 8-11-1.5, then the
7 election authority must submit the question in substantially
8 the following form:

9 Shall the corporate authorities of the municipality be
10 authorized to levy a tax at a rate of (rate)% for
11 expenditures on municipal operations, expenditures on
12 public infrastructure, or property tax relief?

13 If a majority of the electors in the municipality voting
14 upon the question vote in the affirmative, such tax shall be
15 imposed.

16 Until January 1, 1992 ~~An~~ ordinance or resolution imposing
17 the tax of not more than 1% hereunder or discontinuing the same
18 shall be adopted and a certified copy thereof, together with a
19 certification that the ordinance or resolution received
20 referendum approval in the case of the imposition of such tax,
21 filed with the Department of Revenue, on or before the first
22 day of June, whereupon the Department shall proceed to
23 administer and enforce the additional tax or to discontinue the
24 tax, as the case may be, as of the first day of September next
25 following such adoption and filing.

26 Beginning January 1, 1992, and through December 31, 1992 an

1 ordinance or resolution imposing or discontinuing the tax
2 hereunder shall be adopted and a certified copy thereof filed
3 with the Department on or before the first day of July,
4 whereupon the Department shall proceed to administer and
5 enforce this Section as of the first day of October next
6 following such adoption and filing.

7 Beginning January 1, 1993, and through September 30, 2002,
8 an ordinance or resolution imposing or discontinuing the tax
9 hereunder shall be adopted and a certified copy thereof filed
10 with the Department on or before the first day of October,
11 whereupon the Department shall proceed to administer and
12 enforce this Section as of the first day of January next
13 following such adoption and filing.

14 Beginning October 1, 2002, and through December 31, 2013,
15 an ordinance or resolution imposing or discontinuing the tax
16 under this Section or effecting a change in the rate of tax
17 must either (i) be adopted and a certified copy of the
18 ordinance or resolution filed with the Department on or before
19 the first day of April, whereupon the Department shall proceed
20 to administer and enforce this Section as of the first day of
21 July next following the adoption and filing; or (ii) be adopted
22 and a certified copy of the ordinance or resolution filed with
23 the Department on or before the first day of October, whereupon
24 the Department shall proceed to administer and enforce this
25 Section as of the first day of January next following the
26 adoption and filing.

1 Beginning January 1, 2014, if an ordinance or resolution
2 imposing the tax under this Section, discontinuing the tax
3 under this Section, or effecting a change in the rate of tax
4 under this Section is adopted, a certified copy thereof,
5 together with a certification that the ordinance or resolution
6 received referendum approval in the case of the imposition of
7 or increase in the rate of such tax, shall be filed with the
8 Department of Revenue, either (i) on or before the first day of
9 May, whereupon the Department shall proceed to administer and
10 enforce this Section as of the first day of July next following
11 the adoption and filing; or (ii) on or before the first day of
12 October, whereupon the Department shall proceed to administer
13 and enforce this Section as of the first day of January next
14 following the adoption and filing.

15 Notwithstanding any provision in this Section to the
16 contrary, if, in a non-home rule municipality with more than
17 150,000 but fewer than 200,000 inhabitants, as determined by
18 the last preceding federal decennial census, an ordinance or
19 resolution under this Section imposes or discontinues a tax or
20 changes the tax rate as of July 1, 2007, then that ordinance or
21 resolution, together with a certification that the ordinance or
22 resolution received referendum approval in the case of the
23 imposition of the tax, must be adopted and a certified copy of
24 that ordinance or resolution must be filed with the Department
25 on or before May 15, 2007, whereupon the Department shall
26 proceed to administer and enforce this Section as of July 1,

1 2007.

2 Notwithstanding any provision in this Section to the
3 contrary, if, in a non-home rule municipality with more than
4 6,500 but fewer than 7,000 inhabitants, as determined by the
5 last preceding federal decennial census, an ordinance or
6 resolution under this Section imposes or discontinues a tax or
7 changes the tax rate on or before May 20, 2009, then that
8 ordinance or resolution, together with a certification that the
9 ordinance or resolution received referendum approval in the
10 case of the imposition of the tax, must be adopted and a
11 certified copy of that ordinance or resolution must be filed
12 with the Department on or before May 20, 2009, whereupon the
13 Department shall proceed to administer and enforce this Section
14 as of July 1, 2009.

15 A non-home rule municipality may file a certified copy of
16 an ordinance or resolution, with a certification that the
17 ordinance or resolution received referendum approval in the
18 case of the imposition of the tax, with the Department of
19 Revenue, as required under this Section, only after October 2,
20 2000.

21 The tax authorized by this Section may not be more than 1%
22 and may be imposed only in 1/4% increments.

23 (Source: P.A. 95-8, eff. 6-29-07; 96-10, eff. 5-20-09; 96-1057,
24 eff. 7-14-10.)

25 (65 ILCS 5/8-11-9 rep.)

1 Section 50. The Illinois Municipal Code is amended by
2 repealing Section 8-11-9.

3 Section 55. The Environmental Protection Act is amended by
4 changing Section 55.8 as follows:

5 (415 ILCS 5/55.8) (from Ch. 111 1/2, par. 1055.8)

6 Sec. 55.8. Tire retailers.

7 (a) Any person selling new or used tires at retail or
8 offering new or used tires for retail sale in this State shall:

9 (1) beginning on June 20, 2003 (the effective date of
10 Public Act 93-32), collect from retail customers a fee of
11 \$2 per new or used tire sold and delivered in this State,
12 to be paid to the Department of Revenue and deposited into
13 the Used Tire Management Fund, less a collection allowance
14 of 10 cents per tire to be retained by the retail seller
15 and a collection allowance of 10 cents per tire to be
16 retained by the Department of Revenue and paid into the
17 General Revenue Fund; the collection allowance for retail
18 sellers, however, shall be allowed only if the return is
19 filed timely and only for the amount that is paid timely in
20 accordance with this Title XIV;

21 (1.5) beginning on July 1, 2003, collect from retail
22 customers an additional 50 cents per new or used tire sold
23 and delivered in this State; the money collected from this
24 fee shall be deposited into the Emergency Public Health

1 Fund;

2 (2) accept for recycling used tires from customers, at
3 the point of transfer, in a quantity equal to the number of
4 new tires purchased; and

5 (3) post in a conspicuous place a written notice at
6 least 8.5 by 11 inches in size that includes the universal
7 recycling symbol and the following statements: "DO NOT put
8 used tires in the trash."; "Recycle your used tires."; and
9 "State law requires us to accept used tires for recycling,
10 in exchange for new tires purchased."

11 (b) A person who accepts used tires for recycling under
12 subsection (a) shall not allow the tires to accumulate for
13 periods of more than 90 days.

14 (c) The requirements of subsection (a) of this Section do
15 not apply to mail order sales nor shall the retail sale of a
16 motor vehicle be considered to be the sale of tires at retail
17 or offering of tires for retail sale. Instead of filing
18 returns, retailers of tires may remit the tire user fee of
19 \$1.00 per tire to their suppliers of tires if the supplier of
20 tires is a registered retailer of tires and agrees or otherwise
21 arranges to collect and remit the tire fee to the Department of
22 Revenue, notwithstanding the fact that the sale of the tire is
23 a sale for resale and not a sale at retail. A tire supplier who
24 enters into such an arrangement with a tire retailer shall be
25 liable for the tax on all tires sold to the tire retailer and
26 must (i) provide the tire retailer with a receipt that

1 separately reflects the tire tax collected from the retailer on
2 each transaction and (ii) accept used tires for recycling from
3 the retailer's customers. The tire supplier shall be entitled
4 to the collection allowance of 10 cents per tire, but only if
5 the return is filed timely and only for the amount that is paid
6 timely in accordance with this Title XIV.

7 The retailer of the tires must maintain in its books and
8 records evidence that the appropriate fee was paid to the tire
9 supplier and that the tire supplier has agreed to remit the fee
10 to the Department of Revenue for each tire sold by the
11 retailer. Otherwise, the tire retailer shall be directly liable
12 for the fee on all tires sold at retail. Tire retailers paying
13 the fee to their suppliers are not entitled to the collection
14 allowance of 10 cents per tire.

15 (d) The requirements of subsection (a) of this Section
16 shall apply exclusively to tires to be used for vehicles
17 defined in Section 1-217 of the Illinois Vehicle Code, aircraft
18 tires, special mobile equipment, and implements of husbandry.

19 (e) The requirements of paragraph (1) of subsection (a) do
20 not apply to the sale of reprocessed tires. For purposes of
21 this Section, "reprocessed tire" means a used tire that has
22 been recapped, retreaded, or regrooved and that has not been
23 placed on a vehicle wheel rim.

24 (Source: P.A. 95-49, eff. 8-10-07; 95-331, eff. 8-21-07;
25 95-876, eff. 8-21-08; 96-520, eff. 8-14-09.)

26 Section 99. Effective date. This Act takes effect July 1,

SB2326

- 71 -

LRB098 10604 HLH 40868 b

1 2013.