

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) For aircraft and watercraft purchased on or after  
24 January 1, 2014, "use as rolling stock moving in interstate  
25 commerce" in paragraphs (b) and (c) of Section 3-55 occurs  
26 when, during a 12-month period, the rolling stock has carried

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

14 Notwithstanding any other provision of law to the contrary,  
15 property purchased on or after January 1, 2014 for the purpose  
16 of being attached to aircraft or watercraft as a part thereof  
17 qualifies as rolling stock moving in interstate commerce only  
18 if the aircraft or watercraft to which it will be attached  
19 qualifies as rolling stock moving in interstate commerce under  
20 the test set forth in this subsection (e), regardless of when  
21 the aircraft or watercraft was purchased. Persons who purchased  
22 aircraft or watercraft prior to January 1, 2014 shall make an  
23 election to use either the trips or mileage method and document  
24 that election in their books and records for the purpose of  
25 determining whether property purchased on or after January 1,  
26 2014 for the purpose of being attached to aircraft or

1 watercraft as a part thereof qualifies as rolling stock moving  
2 in interstate commerce under this subsection (e).

3 (f) The election to use either the trips or mileage method  
4 made under the provisions of subsections (c), (d), or (e) of  
5 this Section will remain in effect for the duration of the  
6 purchaser's ownership of that item.

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

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

10 (35 ILCS 110/3-51)

11 Sec. 3-51. Motor vehicles; trailers; use as rolling stock  
12 definition.

13 (a) Through June 30, 2003, "use as rolling stock moving in  
14 interstate commerce" in subsection (b) of Section 3-45 means  
15 for motor vehicles, as defined in Section 1-46 of the Illinois  
16 Vehicle Code, and trailers, as defined in Section 1-209 of the  
17 Illinois Vehicle Code, when on 15 or more occasions in a  
18 12-month period the motor vehicle and trailer has carried  
19 persons or property for hire in interstate commerce, even just  
20 between points in Illinois, if the motor vehicle and trailer  
21 transports persons whose journeys or property whose shipments  
22 originate or terminate outside Illinois. This definition  
23 applies to all property purchased for the purpose of being  
24 attached to those motor vehicles or trailers as a part thereof.



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

15           (c) Beginning July 1, 2004, "use as rolling stock moving in  
16 interstate commerce" in paragraphs (4) and (4a) of the  
17 definition of "sale of service" in Section 2 and subsection (b)  
18 of Section 3-45 occurs for motor vehicles, as defined in  
19 Section 1-146 of the Illinois Vehicle Code, when during a  
20 12-month period the rolling stock has carried persons or  
21 property for hire in interstate commerce for greater than 50%  
22 of its total trips for that period or for greater than 50% of  
23 its total miles for that period. The person claiming the  
24 exemption shall make an election at the time of purchase to use  
25 either the trips or mileage method. Persons who purchased motor  
26 vehicles prior to July 1, 2004 shall make an election to use

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

8 For purposes of determining qualifying trips or miles,  
9 motor vehicles that carry persons or property for hire, even  
10 just between points in Illinois, will be considered used for  
11 hire in interstate commerce if the motor vehicle transports  
12 persons whose journeys or property whose shipments originate or  
13 terminate outside Illinois. The exemption for motor vehicles  
14 used as rolling stock moving in interstate commerce may be  
15 claimed only for the following vehicles: (i) motor vehicles  
16 whose gross vehicle weight rating exceeds 16,000 pounds; and  
17 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
18 Vehicle Code. This definition applies to all property purchased  
19 for the purpose of being attached to those motor vehicles as a  
20 part thereof.

21 (d) Beginning July 1, 2004, "use as rolling stock moving in  
22 interstate commerce" in paragraphs (4) and (4a) of the  
23 definition of "sale of service" in Section 2 and subsection (b)  
24 of Section 3-45 occurs for trailers, as defined in Section  
25 1-209 of the Illinois Vehicle Code, semitrailers as defined in  
26 Section 1-187 of the Illinois Vehicle Code, and pole trailers

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

19 For purposes of determining qualifying trips or miles,  
20 trailers, semitrailers, or pole trailers that carry property  
21 for hire, even just between points in Illinois, will be  
22 considered used for hire in interstate commerce if the  
23 trailers, semitrailers, or pole trailers transport property  
24 whose shipments originate or terminate outside Illinois. This  
25 definition applies to all property purchased for the purpose of  
26 being attached to those trailers, semitrailers, or pole

1 trailers as a part thereof. In lieu of a person providing  
2 documentation regarding the qualifying use of each individual  
3 trailer, semitrailer, or pole trailer, that person may document  
4 such qualifying use by providing documentation of the  
5 following:

6 (1) If a trailer, semitrailer, or pole trailer is  
7 dedicated to a motor vehicle that qualifies as rolling  
8 stock moving in interstate commerce under subsection (c) of  
9 this Section, then that trailer, semitrailer, or pole  
10 trailer qualifies as rolling stock moving in interstate  
11 commerce under this subsection.

12 (2) If a trailer, semitrailer, or pole trailer is  
13 dedicated to a group of motor vehicles that all qualify as  
14 rolling stock moving in interstate commerce under  
15 subsection (c) of this Section, then that trailer,  
16 semitrailer, or pole trailer qualifies as rolling stock  
17 moving in interstate commerce under this subsection.

18 (3) If one or more trailers, semitrailers, or pole  
19 trailers are dedicated to a group of motor vehicles and not  
20 all of those motor vehicles in that group qualify as  
21 rolling stock moving in interstate commerce under  
22 subsection (c) of this Section, then the percentage of  
23 those trailers, semitrailers, or pole trailers that  
24 qualifies as rolling stock moving in interstate commerce  
25 under this subsection is equal to the percentage of those  
26 motor vehicles in that group that qualify as rolling stock

1 moving in interstate commerce under subsection (c) of this  
2 Section to which those trailers, semitrailers, or pole  
3 trailers are dedicated. However, to determine the  
4 qualification for the exemption provided under this item  
5 (3), the mathematical application of the qualifying  
6 percentage to one or more trailers, semitrailers, or pole  
7 trailers under this subpart shall not be allowed as to any  
8 fraction of a trailer, semitrailer, or pole trailer.

9 (e) For aircraft and watercraft purchased on or after  
10 January 1, 2014, "use as rolling stock moving in interstate  
11 commerce" in (i) paragraphs (4) and (4a) of the definition of  
12 "sale of service" in Section 2 and (ii) subsection (b) of  
13 Section 3-45 occurs when, during a 12-month period, the rolling  
14 stock has carried persons or property for hire in interstate  
15 commerce for greater than 50% of its total trips for that  
16 period or for greater than 50% of its total miles for that  
17 period. The person claiming the exemption shall make an  
18 election at the time of purchase to use either the trips or  
19 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. For aircraft, flight hours may be  
23 used in lieu of recording miles in determining whether the  
24 aircraft meets the mileage test in this subsection. For  
25 watercraft, nautical miles or trip hours may be used in lieu of  
26 recording miles in determining whether the watercraft meets the

1 mileage test in this subsection.

2 Notwithstanding any other provision of law to the contrary,  
3 property purchased on or after January 1, 2014 for the purpose  
4 of being attached to aircraft or watercraft as a part thereof  
5 qualifies as rolling stock moving in interstate commerce only  
6 if the aircraft or watercraft to which it will be attached  
7 qualifies as rolling stock moving in interstate commerce under  
8 the test set forth in this subsection (e), regardless of when  
9 the aircraft or watercraft was purchased. Persons who purchased  
10 aircraft or watercraft prior to January 1, 2014 shall make an  
11 election to use either the trips or mileage method and document  
12 that election in their books and records for the purpose of  
13 determining whether property purchased on or after January 1,  
14 2014 for the purpose of being attached to aircraft or  
15 watercraft as a part thereof qualifies as rolling stock moving  
16 in interstate commerce under this subsection (e).

17 (f) The election to use either the trips or mileage method  
18 made under the provisions of subsections (c), (d), or (e) of  
19 this Section will remain in effect for the duration of the  
20 purchaser's ownership of that item.

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

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

24 (35 ILCS 115/2d)

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

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

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

1 qualifies for the exemption but such trips will be included in  
2 total trips taken.

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

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



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

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

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

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

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

25 (2) If a trailer, semitrailer, or pole trailer is  
26 dedicated to a group of motor vehicles that all qualify as

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

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

22 (e) For aircraft and watercraft purchased on or after  
23 January 1 2014, "use as rolling stock moving in interstate  
24 commerce" in paragraphs (d) and (d-1) of the definition of  
25 "sale of service" in Section 2 occurs 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 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 Notwithstanding any other provision of law to the contrary,  
15 property purchased on or after January 1, 2014 for the purpose  
16 of being attached to aircraft or watercraft as a part thereof  
17 qualifies as rolling stock moving in interstate commerce only  
18 if the aircraft or watercraft to which it will be attached  
19 qualifies as rolling stock moving in interstate commerce under  
20 the test set forth in this subsection (e), regardless of when  
21 the aircraft or watercraft was purchased. Persons who purchased  
22 aircraft or watercraft prior to January 1, 2014 shall make an  
23 election to use either the trips or mileage method and document  
24 that election in their books and records for the purpose of  
25 determining whether property purchased on or after January 1,  
26 2014 for the purpose of being attached to aircraft or

1 watercraft as a part thereof qualifies as rolling stock moving  
2 in interstate commerce under this subsection (e).

3 (f) The election to use either the trips or mileage method  
4 made under the provisions of subsections (c), (d), or (e) of  
5 this Section will remain in effect for the duration of the  
6 purchaser's ownership of that item.

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

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

10 (35 ILCS 120/2-51)

11 Sec. 2-51. Motor vehicles; trailers; use as rolling stock  
12 definition.

13 (a) Through June 30, 2003, "use as rolling stock moving in  
14 interstate commerce" in paragraphs (12) and (13) of Section 2-5  
15 means for motor vehicles, as defined in Section 1-146 of the  
16 Illinois Vehicle Code, and trailers, as defined in Section  
17 1-209 of the Illinois Vehicle Code, when on 15 or more  
18 occasions in a 12-month period the motor vehicle and trailer  
19 has carried persons or property for hire in interstate  
20 commerce, even just between points in Illinois, if the motor  
21 vehicle and trailer transports persons whose journeys or  
22 property whose shipments originate or terminate outside  
23 Illinois. This definition applies to all property purchased for  
24 the purpose of being attached to those motor vehicles or

1 trailers as a part thereof.

2 (b) On and after July 1, 2003 and through June 30, 2004,  
3 "use as rolling stock moving in interstate commerce" in  
4 paragraphs (12) and (13) of Section 2-5 occurs for motor  
5 vehicles, as defined in Section 1-146 of the Illinois Vehicle  
6 Code, when during a 12-month period the rolling stock has  
7 carried persons or property for hire in interstate commerce for  
8 51% of its total trips and transports persons whose journeys or  
9 property whose shipments originate or terminate outside  
10 Illinois. Trips that are only between points in Illinois shall  
11 not be counted as interstate trips when calculating whether the  
12 tangible personal property qualifies for the exemption but such  
13 trips shall be included in total trips taken.

14 (c) Beginning July 1, 2004, "use as rolling stock moving in  
15 interstate commerce" in paragraphs (12) and (13) of Section 2-5  
16 occurs for motor vehicles, as defined in Section 1-146 of the  
17 Illinois Vehicle Code, when during a 12-month period the  
18 rolling stock has carried persons or property for hire in  
19 interstate commerce for greater than 50% of its total trips for  
20 that period or for greater than 50% of its total miles for that  
21 period. The person claiming the exemption shall make an  
22 election at the time of purchase to use either the trips or  
23 mileage method. Persons who purchased motor vehicles prior to  
24 July 1, 2004 shall make an election to use either the trips or  
25 mileage method and document that election in their books and  
26 records. If no election is made under this subsection to use

1 the trips or mileage method, the person shall be deemed to have  
2 chosen the mileage method. ~~Any election to use either the trips  
3 or mileage method will remain in effect for that motor vehicle  
4 for any period for which the Department may issue a notice of  
5 tax liability under this Act.~~

6 For purposes of determining qualifying trips or miles,  
7 motor vehicles that carry persons or property for hire, even  
8 just between points in Illinois, will be considered used for  
9 hire in interstate commerce if the motor vehicle transports  
10 persons whose journeys or property whose shipments originate or  
11 terminate outside Illinois. The exemption for motor vehicles  
12 used as rolling stock moving in interstate commerce may be  
13 claimed only for the following vehicles: (i) motor vehicles  
14 whose gross vehicle weight rating exceeds 16,000 pounds; and  
15 (ii) limousines, as defined in Section 1-139.1 of the Illinois  
16 Vehicle Code. This definition applies to all property purchased  
17 for the purpose of being attached to those motor vehicles as a  
18 part thereof.

19 (d) Beginning July 1, 2004, "use as rolling stock moving in  
20 interstate commerce" in paragraphs (12) and (13) of Section 2-5  
21 occurs for trailers, as defined in Section 1-209 of the  
22 Illinois Vehicle Code, semitrailers as defined in Section 1-187  
23 of the Illinois Vehicle Code, and pole trailers as defined in  
24 Section 1-161 of the Illinois Vehicle Code, when during a  
25 12-month period the rolling stock has carried persons or  
26 property for hire in interstate commerce for greater than 50%

1 of its total trips for that period or for greater than 50% of  
2 its total miles for that period. The person claiming the  
3 exemption for a trailer or trailers that will not be dedicated  
4 to a motor vehicle or group of motor vehicles shall make an  
5 election at the time of purchase to use either the trips or  
6 mileage method. Persons who purchased trailers prior to July 1,  
7 2004 that are not dedicated to a motor vehicle or group of  
8 motor vehicles shall make an election to use either the trips  
9 or 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 trailer for  
14 any period for which the Department may issue a notice of tax  
15 liability under this Act.~~

16 For purposes of determining qualifying trips or miles,  
17 trailers, semitrailers, or pole trailers that carry property  
18 for hire, even just between points in Illinois, will be  
19 considered used for hire in interstate commerce if the  
20 trailers, semitrailers, or pole trailers transport property  
21 whose shipments originate or terminate outside Illinois. This  
22 definition applies to all property purchased for the purpose of  
23 being attached to those trailers, semitrailers, or pole  
24 trailers as a part thereof. In lieu of a person providing  
25 documentation regarding the qualifying use of each individual  
26 trailer, semitrailer, or pole trailer, that person may document



1 such qualifying use by providing documentation of the  
2 following:

3 (1) If a trailer, semitrailer, or pole trailer is  
4 dedicated to a motor vehicle that qualifies as rolling  
5 stock moving in interstate commerce under subsection (c) of  
6 this Section, then that trailer, semitrailer, or pole  
7 trailer qualifies as rolling stock moving in interstate  
8 commerce under this subsection.

9 (2) If a trailer, semitrailer, or pole trailer is  
10 dedicated to a group of motor vehicles that all qualify as  
11 rolling stock moving in interstate commerce under  
12 subsection (c) of this Section, then that trailer,  
13 semitrailer, or pole trailer qualifies as rolling stock  
14 moving in interstate commerce under this subsection.

15 (3) If one or more trailers, semitrailers, or pole  
16 trailers are dedicated to a group of motor vehicles and not  
17 all of those motor vehicles in that group qualify as  
18 rolling stock moving in interstate commerce under  
19 subsection (c) of this Section, then the percentage of  
20 those trailers, semitrailers, or pole trailers that  
21 qualifies as rolling stock moving in interstate commerce  
22 under this subsection is equal to the percentage of those  
23 motor vehicles in that group that qualify as rolling stock  
24 moving in interstate commerce under subsection (c) of this  
25 Section to which those trailers, semitrailers, or pole  
26 trailers are dedicated. However, to determine the

1 qualification for the exemption provided under this item  
2 (3), the mathematical application of the qualifying  
3 percentage to one or more trailers, semitrailers, or pole  
4 trailers under this subpart shall not be allowed as to any  
5 fraction of a trailer, semitrailer, or pole trailer.

6 (e) For aircraft and watercraft purchased on or after  
7 January 1, 2014, "use as rolling stock moving in interstate  
8 commerce" in paragraphs (12) and (13) of Section 2-5 occurs  
9 when, during a 12-month period, the rolling stock has carried  
10 persons or property for hire in interstate commerce for greater  
11 than 50% of its total trips for that period or for greater than  
12 50% of its total miles for that period. The person claiming the  
13 exemption shall make an election at the time of purchase to use  
14 either the trips or mileage method and document that election  
15 in their books and records. If no election is made under this  
16 subsection to use the trips or mileage method, the person shall  
17 be deemed to have chosen the mileage method. For aircraft,  
18 flight hours may be used in lieu of recording miles in  
19 determining whether the aircraft meets the mileage test in this  
20 subsection. For watercraft, nautical miles or trip hours may be  
21 used in lieu of recording miles in determining whether the  
22 watercraft meets the mileage test in this subsection.

23 Notwithstanding any other provision of law to the contrary,  
24 property purchased on or after January 1, 2014 for the purpose  
25 of being attached to aircraft or watercraft as a part thereof  
26 qualifies as rolling stock moving in interstate commerce only

1 if the aircraft or watercraft to which it will be attached  
2 qualifies as rolling stock moving in interstate commerce under  
3 the test set forth in this subsection (e), regardless of when  
4 the aircraft or watercraft was purchased. Persons who purchased  
5 aircraft or watercraft prior to January 1, 2014 shall make an  
6 election to use either the trips or mileage method and document  
7 that election in their books and records for the purpose of  
8 determining whether property purchased on or after January 1,  
9 2014 for the purpose of being attached to aircraft or  
10 watercraft as a part thereof qualifies as rolling stock moving  
11 in interstate commerce under this subsection (e).

12 (f) The election to use either the trips or mileage method  
13 made under the provisions of subsections (c), (d), or (e) of  
14 this Section will remain in effect for the duration of the  
15 purchaser's ownership of that item.

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

17 (35 ILCS 120/5) (from Ch. 120, par. 444)

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

25 In case any person engaged in the business of selling

1 tangible personal property at retail files the return at the  
2 time required by this Act but fails to pay the tax, or any part  
3 thereof, when due, a penalty in an amount determined in  
4 accordance with Section 3-3 of the Uniform Penalty and Interest  
5 Act shall be added thereto.

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

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

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

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

1           The taxpayer or the taxpayer's legal representative may,  
2 within 60 days after such notice, file a protest to such notice  
3 of tax liability with the Department and request a hearing  
4 thereon. The Department shall give notice to such person or the  
5 legal representative of such person of the time and place fixed  
6 for such hearing, and shall hold a hearing in conformity with  
7 the provisions of this Act, and pursuant thereto shall issue a  
8 final assessment to such person or to the legal representative  
9 of such person for the amount found to be due as a result of  
10 such hearing. On and after July 1, 2013, protests concerning  
11 matters that are under the jurisdiction of the Illinois  
12 Independent Tax Tribunal shall be filed with the Illinois  
13 Independent Tax Tribunal in accordance with the Illinois  
14 Independent Tax Tribunal Act of 2012, and hearings concerning  
15 those matters shall be held before the Tribunal in accordance  
16 with that Act. With respect to protests filed with the Illinois  
17 Independent Tax Tribunal, the Tribunal shall give notice to  
18 that person or the legal representative of that person of the  
19 time and place fixed for a hearing, and shall hold a hearing in  
20 conformity with the provisions of this Act and the Illinois  
21 Independent Tax Tribunal Act of 2012; and pursuant thereto the  
22 Department shall issue a final assessment to such person or to  
23 the legal representative of such person for the amount found to  
24 be due as a result of the hearing. With respect to protests  
25 filed with the Department prior to July 1, 2013 that would  
26 otherwise be subject to the jurisdiction of the Illinois

1 Independent Tax Tribunal, the taxpayer may elect to be subject  
2 to the provisions of the Illinois Independent Tax Tribunal Act  
3 of 2012 at any time on or after July 1, 2013, but not later than  
4 30 days after the date on which the protest was filed. If made,  
5 the election shall be irrevocable.

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

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

23 Except in case of failure to file a return, or with the  
24 consent of the person to whom the notice of tax liability is to  
25 be issued, no notice of tax liability shall be issued on and  
26 after each July 1 and January 1 covering gross receipts

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

18 If, when a tax or penalty under this Act becomes due and  
19 payable, the person alleged to be liable therefor is out of the  
20 State, the notice of tax liability may be issued within the  
21 times herein limited after his or her coming into or return to  
22 the State; and if, after the tax or penalty under this Act  
23 becomes due and payable, the person alleged to be liable  
24 therefor departs from and remains out of the State, the time of  
25 his or her absence is no part of the time limited for the  
26 issuance of the notice of tax liability; but the foregoing



1 provisions concerning absence from the State shall not apply to  
2 any case in which, at the time when a tax or penalty becomes  
3 due under this Act, the person allegedly liable therefor is not  
4 a resident of this State.

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

10 In case of failure to pay the tax, or any portion thereof,  
11 or any penalty provided for in this Act, or interest, when due,  
12 the Department may bring suit to recover the amount of such  
13 tax, or portion thereof, or penalty or interest; or, if the  
14 taxpayer has died or become a person under legal disability,  
15 may file a claim therefor against his estate; provided that no  
16 such suit with respect to any tax, or portion thereof, or  
17 penalty, or interest shall be instituted more than 6 years  
18 after the date any proceedings in court for review thereof have  
19 terminated or the time for the taking thereof has expired  
20 without such proceedings being instituted, except with the  
21 consent of the person from whom such tax or penalty or interest  
22 is due; nor, except with such consent, shall such suit be  
23 instituted more than 6 years after the date any return is filed  
24 with the Department in cases where the return constitutes the  
25 basis for the suit for unpaid tax, or portion thereof, or  
26 penalty provided for in this Act, or interest: Provided that

1 the time limitation period on the Department's right to bring  
2 any such suit shall not run during any period of time in which  
3 the order of any court has the effect of enjoining or  
4 restraining the Department from bringing such suit.

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

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

22         If, when the cause of action for a proceeding in court  
23    accrues against a person, he or she is out of the State, the  
24    action may be commenced within the times herein limited, after  
25    his or her coming into or return to the State; and if, after  
26    the cause of action accrues, he or she departs from and remains

1 out of the State, the time of his or her absence is no part of  
2 the time limited for the commencement of the action; but the  
3 foregoing provisions concerning absence from the State shall  
4 not apply to any case in which, at the time the cause of action  
5 accrues, the party against whom the cause of action accrues is  
6 not a resident of this State. The time within which a court  
7 action is to be commenced by the Department hereunder shall not  
8 run from the date the taxpayer files a petition in bankruptcy  
9 under the Federal Bankruptcy Act until 30 days after notice of  
10 termination or expiration of the automatic stay imposed by the  
11 Federal Bankruptcy Act.

12 No claim shall be filed against the estate of any deceased  
13 person or any person under legal disability for any tax or  
14 penalty or part of either, or interest, except in the manner  
15 prescribed and within the time limited by the Probate Act of  
16 1975, as amended.

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

20 In addition to any penalty provided for in this Act, any  
21 amount of tax which is not paid when due shall bear interest at  
22 the rate and in the manner specified in Sections 3-2 and 3-9 of  
23 the Uniform Penalty and Interest Act from the date when such  
24 tax becomes past due until such tax is paid or a judgment  
25 therefor is obtained by the Department. If the time for making  
26 or completing an audit of a taxpayer's books and records is

1 extended with the taxpayer's consent, at the request of and for  
2 the convenience of the Department, beyond the date on which the  
3 statute of limitations upon the issuance of a notice of tax  
4 liability by the Department otherwise would run, no interest  
5 shall accrue during the period of such extension or until a  
6 Notice of Tax Liability is issued, whichever occurs first.

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

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

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

25 Section 30. The Counties Code is amended by changing

1 Sections 5-1006.5 and 5-1006.7 as follows:

2 (55 ILCS 5/5-1006.5)

3 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
4 For Public Safety, Public Facilities, or Transportation.

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

1 publish notice of the existence of its long-range passenger  
2 rail transportation plan and must make the plan publicly  
3 available prior to approval of the ordinance or resolution  
4 imposing the tax.

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

10 The county clerk shall certify the question to the proper  
11 election authority, who shall submit the proposition at an  
12 election in accordance with the general election law.

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

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

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

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

23 The county board may also opt to establish a sunset  
24 provision at which time the additional sales tax would  
25 cease being collected, if not terminated earlier by a vote  
26 of the county board. If the county board votes to include a

1 sunset provision, the proposition for public safety  
2 purposes shall be in substantially the following form:

3 "To pay for public safety purposes, shall (name of  
4 county) be authorized to impose an increase on its share of  
5 local sales taxes by (insert rate) for a period not to  
6 exceed (insert number of years)?"

7 As additional information on the ballot below the  
8 question shall appear the following:

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

15 For the purposes of the paragraph, "public safety  
16 purposes" means crime prevention, detention, fire  
17 fighting, police, medical, ambulance, or other emergency  
18 services.

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

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

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

26 As additional information on the ballot below the



1 question shall appear the following:

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

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

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

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

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

23 For the purposes of this paragraph, transportation  
24 purposes means construction, maintenance, operation, and  
25 improvement of public highways, any other purpose for which  
26 a county may expend funds under the Illinois Highway Code,

1 and passenger rail transportation.

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

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

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

8 As additional information on the ballot below the  
9 question shall appear the following:

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

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

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

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

25 "This would mean that a consumer would pay an  
26 additional (insert amount) in sales tax for every \$100 of

1           tangible personal property bought at retail. If imposed,  
2           the additional tax would cease being collected at the end  
3           of (insert number of years), if not terminated earlier by a  
4           vote of the county board."

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

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

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

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

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

1 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of  
2 the Retailers' Occupation Tax Act and Section 3-7 of the  
3 Uniform Penalty and Interest Act as if those provisions were  
4 set forth in this Section.

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

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

20 (b) If a tax has been imposed under subsection (a), a  
21 service occupation tax shall also be imposed at the same rate  
22 upon all persons engaged, in the county, in the business of  
23 making sales of service, who, as an incident to making those  
24 sales of service, transfer tangible personal property within  
25 the county as an incident to a sale of service. This tax may  
26 not be imposed on sales of food for human consumption that is

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

1 indicated in that Section 8 shall be the county), 9 (except as  
2 to the disposition of taxes and penalties collected), 10, 11,  
3 12 (except the reference therein to Section 2b of the  
4 Retailers' Occupation Tax Act), 13 (except that any reference  
5 to the State shall mean the county), Section 15, 16, 17, 18, 19  
6 and 20 of the Service Occupation Tax Act and Section 3-7 of the  
7 Uniform Penalty and Interest Act, as fully as if those  
8 provisions were set forth herein.

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

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

25 Nothing in this subsection shall be construed to authorize  
26 the county to impose a tax upon the privilege of engaging in

1 any business which under the Constitution of the United States  
2 may not be made the subject of taxation by the State.

3 (c) The Department shall immediately pay over to the State  
4 Treasurer, ex officio, as trustee, all taxes and penalties  
5 collected under this Section to be deposited into the County  
6 Public Safety or Transportation Retailers' Occupation Tax  
7 Fund, which shall be an unappropriated trust fund held outside  
8 of the State treasury.

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

17 After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to the counties from which  
21 retailers have paid taxes or penalties to the Department during  
22 the second preceding calendar month. The amount to be paid to  
23 each county, and deposited by the county into its special fund  
24 created for the purposes of this Section, shall be the amount  
25 (not including credit memoranda) collected under this Section  
26 during the second preceding calendar month by the Department



1 plus an amount the Department determines is necessary to offset  
2 any amounts that were erroneously paid to a different taxing  
3 body, and not including (i) an amount equal to the amount of  
4 refunds made during the second preceding calendar month by the  
5 Department on behalf of the county, (ii) any amount that the  
6 Department determines is necessary to offset any amounts that  
7 were payable to a different taxing body but were erroneously  
8 paid to the county, and (iii) any amounts that are transferred  
9 to the STAR Bonds Revenue Fund. Within 10 days after receipt by  
10 the Comptroller of the disbursement certification to the  
11 counties provided for in this Section to be given to the  
12 Comptroller by the Department, the Comptroller shall cause the  
13 orders to be drawn for the respective amounts in accordance  
14 with directions contained in the certification.

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

1 year. The Department shall prepare and certify to the  
2 Comptroller for disbursement the allocations made in  
3 accordance with this paragraph.

4 A county may direct, by ordinance, that all or a portion of  
5 the taxes and penalties collected under the Special County  
6 Retailers' Occupation Tax For Public Safety or Transportation  
7 be deposited into the Transportation Development Partnership  
8 Trust Fund.

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

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

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

1 rate of the tax or to reimpose the discontinued tax.

2 (f) Beginning April 1, 1998 and through December 31, 2013,  
3 the results of any election authorizing a proposition to impose  
4 a tax under this Section or effecting a change in the rate of  
5 tax, or any ordinance lowering the rate or discontinuing the  
6 tax, shall be certified by the county clerk and filed with the  
7 Illinois Department of Revenue either (i) on or before the  
8 first day of April, whereupon the Department shall proceed to  
9 administer and enforce the tax as of the first day of July next  
10 following the filing; or (ii) on or before the first day of  
11 October, whereupon the Department shall proceed to administer  
12 and enforce the tax as of the first day of January next  
13 following the filing.

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

1           (g) When certifying the amount of a monthly disbursement to  
2 a county under this Section, the Department shall increase or  
3 decrease the amounts by an amount necessary to offset any  
4 miscalculation of previous disbursements. The offset amount  
5 shall be the amount erroneously disbursed within the previous 6  
6 months from the time a miscalculation is discovered.

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

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

1 equipment and for the acquisition and improvement of real  
2 property and interest in real property required, or expected to  
3 be required, in connection with the public facilities, for use  
4 by the county for the furnishing of governmental services to  
5 its citizens, including but not limited to museums and nursing  
6 homes.

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

11 (Source: P.A. 96-124, eff. 8-4-09; 96-622, eff. 8-24-09;  
12 96-845, eff. 7-1-12; 96-939, eff. 6-24-10; 96-1000, eff.  
13 7-2-10.)

14 (55 ILCS 5/5-1006.7)

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

16 (a) In any county, a tax shall be imposed upon all persons  
17 engaged in the business of selling tangible personal property,  
18 other than personal property titled or registered with an  
19 agency of this State's government, at retail in the county on  
20 the gross receipts from the sales made in the course of  
21 business to provide revenue to be used exclusively for school  
22 facility purposes if a proposition for the tax has been  
23 submitted to the electors of that county and approved by a  
24 majority of those voting on the question as provided in  
25 subsection (c). The tax under this Section shall be imposed

1 only in one-quarter percent increments and may not exceed 1%.

2 This additional tax may not be imposed on the sale of food  
3 for human consumption that is to be consumed off the premises  
4 where it is sold (other than alcoholic beverages, soft drinks,  
5 and food that has been prepared for immediate consumption) and  
6 prescription and non-prescription medicines, drugs, medical  
7 appliances and insulin, urine testing materials, syringes and  
8 needles used by diabetics. The Department of Revenue has full  
9 power to administer and enforce this subsection, to collect all  
10 taxes and penalties due under this subsection, to dispose of  
11 taxes and penalties so collected in the manner provided in this  
12 subsection, and to determine all rights to credit memoranda  
13 arising on account of the erroneous payment of a tax or penalty  
14 under this subsection. The Department shall deposit all taxes  
15 and penalties collected under this subsection into a special  
16 fund created for that purpose.

17 In the administration of and compliance with this  
18 subsection, the Department and persons who are subject to this  
19 subsection (i) have the same rights, remedies, privileges,  
20 immunities, powers, and duties, (ii) are subject to the same  
21 conditions, restrictions, limitations, penalties, and  
22 definitions of terms, and (iii) shall employ the same modes of  
23 procedure as are set forth in Sections 1 through 10, 2 through  
24 2-70 (in respect to all provisions contained in those Sections  
25 other than the State rate of tax), 2a through 2h, 3 (except as  
26 to the disposition of taxes and penalties collected), 4, 5, 5a,

1 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8,  
2 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
3 and all provisions of the Uniform Penalty and Interest Act as  
4 if those provisions were set forth in this subsection.

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

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

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

23 This tax may not be imposed on sales of food for human  
24 consumption that is to be consumed off the premises where it is  
25 sold (other than alcoholic beverages, soft drinks, and food  
26 prepared for immediate consumption) and prescription and

1 non-prescription medicines, drugs, medical appliances and  
2 insulin, urine testing materials, syringes, and needles used by  
3 diabetics.

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

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



1 the extent indicated in that Section 8 is the county), 9  
2 (except as to the disposition of taxes and penalties  
3 collected), 10, 11, 12 (except the reference therein to Section  
4 2b of the Retailers' Occupation Tax Act), 13 (except that any  
5 reference to the State means the county), Section 15, 16, 17,  
6 18, 19, and 20 of the Service Occupation Tax Act and all  
7 provisions of the Uniform Penalty and Interest Act, as fully as  
8 if those provisions were set forth herein.

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

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

26 For all regular elections held prior to the effective date

1 of this amendatory Act of the 97th General Assembly, the  
2 election authority must submit the question in substantially  
3 the following form:

4           Shall (name of county) be authorized to impose a  
5           retailers' occupation tax and a service occupation tax  
6           (commonly referred to as a "sales tax") at a rate of  
7           (insert rate) to be used exclusively for school facility  
8           purposes?

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

10           If a majority of the electors voting on the question vote  
11           in the affirmative, then the county may, thereafter, impose the  
12           tax.

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

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

1            Shall a retailers' occupation tax and a service  
2            occupation tax (commonly referred to as a "sales tax") be  
3            imposed in (name of county) at a rate of (insert rate) to  
4            be used exclusively for school facility 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 tax shall be imposed at the rate  
8            set forth in the question.

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

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

19           On or before the 25th day of each calendar month, the  
20           Department shall prepare and certify to the Comptroller the  
21           disbursement of stated sums of money to the regional  
22           superintendents of schools in counties from which retailers or  
23           servicemen have paid taxes or penalties to the Department  
24           during the second preceding calendar month. The amount to be  
25           paid to each regional superintendent of schools and disbursed  
26           to him or her in accordance with Section 3-14.31 of the School

1 Code, is equal to the amount (not including credit memoranda)  
2 collected from the county under this Section during the second  
3 preceding calendar month by the Department, (i) less 2% of that  
4 amount, which shall be deposited into the Tax Compliance and  
5 Administration Fund and shall be used by the Department,  
6 subject to appropriation, to cover the costs of the Department  
7 in administering and enforcing the provisions of this Section,  
8 on behalf of the county, (ii) plus an amount that the  
9 Department determines is necessary to offset any amounts that  
10 were erroneously paid to a different taxing body; (iii) less an  
11 amount equal to the amount of refunds made during the second  
12 preceding calendar month by the Department on behalf of the  
13 county; and (iv) less any amount that the Department determines  
14 is necessary to offset any amounts that were payable to a  
15 different taxing body but were erroneously paid to the county.  
16 When certifying the amount of a monthly disbursement to a  
17 regional superintendent of schools under this Section, the  
18 Department shall increase or decrease the amounts by an amount  
19 necessary to offset any miscalculation of previous  
20 disbursements within the previous 6 months from the time a  
21 miscalculation is discovered.

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

1 the certification.

2 If the Department determines that a refund should be made  
3 under this Section to a claimant instead of issuing a credit  
4 memorandum, then the Department shall notify the Comptroller,  
5 who shall cause the order to be drawn for the amount specified  
6 and to the person named in the notification from the  
7 Department. The refund shall be paid by the Treasurer out of  
8 the School Facility Occupation Tax Fund.

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

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

22 (g) If a county board imposes a tax under this Section  
23 pursuant to a referendum held before the effective date of this  
24 amendatory Act of the 97th General Assembly at a rate below the  
25 rate set forth in the question approved by a majority of  
26 electors of that county voting on the question as provided in

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

25 Until January 1, 2014, the ~~The~~ results of any election that  
26 imposes, reduces, or discontinues a tax under this Section must

1 be certified by the election authority, and any ordinance that  
2 increases or lowers the rate or discontinues the tax must be  
3 certified by the county clerk and, in each case, filed with the  
4 Illinois Department of Revenue either (i) on or before the  
5 first day of April, whereupon the Department shall proceed to  
6 administer and enforce the tax or change in the rate as of the  
7 first day of July next following the filing; or (ii) on or  
8 before the first day of October, whereupon the Department shall  
9 proceed to administer and enforce the tax or change in the rate  
10 as of the first day of January next following the filing.

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

23 (h) For purposes of this Section, "school facility  
24 purposes" means (i) the acquisition, development,  
25 construction, reconstruction, rehabilitation, improvement,  
26 financing, architectural planning, and installation of capital

1 facilities consisting of buildings, structures, and durable  
2 equipment and for the acquisition and improvement of real  
3 property and interest in real property required, or expected to  
4 be required, in connection with the capital facilities and (ii)  
5 the payment of bonds or other obligations heretofore or  
6 hereafter issued, including bonds or other obligations  
7 heretofore or hereafter issued to refund or to continue to  
8 refund bonds or other obligations issued, for school facility  
9 purposes, provided that the taxes levied to pay those bonds are  
10 abated by the amount of the taxes imposed under this Section  
11 that are used to pay those bonds. "School-facility purposes"  
12 also includes fire prevention, safety, energy conservation,  
13 disabled accessibility, school security, and specified repair  
14 purposes set forth under Section 17-2.11 of the School Code.

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

24 Shall the school facility retailers' occupation tax  
25 and service occupation tax (commonly referred to as the  
26 "school facility sales tax") currently imposed in (name of



1 county) at a rate of (insert rate) be (reduced to (insert  
2 rate)) (discontinued)?

3 If a majority of the electors voting on the question vote in  
4 the affirmative, then, subject to the provisions of subsection  
5 (g) of this Section, the tax shall be reduced or discontinued  
6 as set forth in the question.

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

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

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

11 (55 ILCS 5/5-1035 rep.)

12 Section 40. The Counties Code is amended by repealing  
13 Section 5-1035.

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

16 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

17 Sec. 8-11-1.1. Non-home rule municipalities; imposition of  
18 taxes.

19 (a) The corporate authorities of a non-home rule  
20 municipality may, upon approval of the electors of the  
21 municipality pursuant to subsection (b) of this Section, impose  
22 by ordinance or resolution the tax authorized in Sections  
23 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act.

1 (b) The corporate authorities of the municipality may by  
2 ordinance or resolution call for the submission to the electors  
3 of the municipality the question of whether the municipality  
4 shall impose such tax. Such question shall be certified by the  
5 municipal clerk to the election authority in accordance with  
6 Section 28-5 of the Election Code and shall be in a form in  
7 accordance with Section 16-7 of the Election Code.

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

13 Shall the corporate authorities of the municipality be  
14 authorized to levy a tax at a rate of (rate)% for  
15 expenditures on municipal operations, expenditures on  
16 public infrastructure, or property tax relief?

17 If a majority of the electors in the municipality voting  
18 upon the question vote in the affirmative, such tax shall be  
19 imposed.

20 Until January 1, 1992, an ~~An~~ ordinance or resolution  
21 imposing the tax of not more than 1% hereunder or discontinuing  
22 the same shall be adopted and a certified copy thereof,  
23 together with a certification that the ordinance or resolution  
24 received referendum approval in the case of the imposition of  
25 such tax, filed with the Department of Revenue, on or before  
26 the first day of June, whereupon the Department shall proceed

1 to administer and enforce the additional tax or to discontinue  
2 the tax, as the case may be, as of the first day of September  
3 next following such adoption and filing.

4 Beginning January 1, 1992 and through December 31, 1992, an  
5 ordinance or resolution imposing or discontinuing the tax  
6 hereunder shall be adopted and a certified copy thereof filed  
7 with the Department on or before the first day of July,  
8 whereupon the Department shall proceed to administer and  
9 enforce this Section as of the first day of October next  
10 following such adoption and filing.

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

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

1 the Department on or before the first day of October, whereupon  
2 the Department shall proceed to administer and enforce this  
3 Section as of the first day of January next following the  
4 adoption and filing.

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

19 Notwithstanding any provision in this Section to the  
20 contrary, if, in a non-home rule municipality with more than  
21 150,000 but fewer than 200,000 inhabitants, as determined by  
22 the last preceding federal decennial census, an ordinance or  
23 resolution under this Section imposes or discontinues a tax or  
24 changes the tax rate as of July 1, 2007, then that ordinance or  
25 resolution, together with a certification that the ordinance or  
26 resolution received referendum approval in the case of the

1 imposition of the tax, must be adopted and a certified copy of  
2 that ordinance or resolution must be filed with the Department  
3 on or before May 15, 2007, whereupon the Department shall  
4 proceed to administer and enforce this Section as of July 1,  
5 2007.

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

19 A non-home rule municipality may file a certified copy of  
20 an ordinance or resolution, with a certification that the  
21 ordinance or resolution received referendum approval in the  
22 case of the imposition of the tax, with the Department of  
23 Revenue, as required under this Section, only after October 2,  
24 2000.

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

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

3 (65 ILCS 5/8-11-9 rep.)

4 Section 50. The Illinois Municipal Code is amended by  
5 repealing Section 8-11-9.

6 Section 55. The Environmental Protection Act is amended by  
7 changing Section 55.8 as follows:

8 (415 ILCS 5/55.8) (from Ch. 111 1/2, par. 1055.8)

9 Sec. 55.8. Tire retailers.

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

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

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

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

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

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

18           (c) The requirements of subsection (a) of this Section do  
19 not apply to mail order sales nor shall the retail sale of a  
20 motor vehicle be considered to be the sale of tires at retail  
21 or offering of tires for retail sale. Instead of filing  
22 returns, retailers of tires may remit the tire user fee of  
23 \$1.00 per tire to their suppliers of tires if the supplier of  
24 tires is a registered retailer of tires and agrees or otherwise  
25 arranges to collect and remit the tire fee to the Department of  
26 Revenue, notwithstanding the fact that the sale of the tire is

1 a sale for resale and not a sale at retail. A tire supplier who  
2 enters into such an arrangement with a tire retailer shall be  
3 liable for the tax on all tires sold to the tire retailer and  
4 must (i) provide the tire retailer with a receipt that  
5 separately reflects the tire tax collected from the retailer on  
6 each transaction and (ii) accept used tires for recycling from  
7 the retailer's customers. The tire supplier shall be entitled  
8 to the collection allowance of 10 cents per tire, but only if  
9 the return is filed timely and only for the amount that is paid  
10 timely in accordance with this Title XIV.

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

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

23 (e) The requirements of paragraph (1) of subsection (a) do  
24 not apply to the sale of reprocessed tires. For purposes of  
25 this Section, "reprocessed tire" means a used tire that has  
26 been recapped, retreaded, or regrooved and that has not been



1 placed on a vehicle wheel rim.

2 (Source: P.A. 95-49, eff. 8-10-07; 95-331, eff. 8-21-07;  
3 95-876, eff. 8-21-08; 96-520, eff. 8-14-09.)

4 Section 99. Effective date. This Act takes effect July 1,  
5 2013.