

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 Use Tax Act is amended by changing Section
5 19 as follows:

6 (35 ILCS 105/19) (from Ch. 120, par. 439.19)

7 Sec. 19. If it shall appear that an amount of tax or
8 penalty or interest has been paid in error hereunder to the
9 Department by a purchaser, as distinguished from the retailer,
10 whether such amount be paid through a mistake of fact or an
11 error of law, such purchaser may file a claim for credit or
12 refund with the Department in accordance with Sections 6, 6a,
13 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act. If it
14 shall appear that an amount of tax or penalty or interest has
15 been paid in error to the Department hereunder by a retailer
16 who is required or authorized to collect and remit the use tax,
17 whether such amount be paid through a mistake of fact or an
18 error of law, such retailer may file a claim for credit or
19 refund with the Department in accordance with Sections 6, 6a,
20 6b, ~~and 6c,~~ and 6d of the Retailers' Occupation Tax Act,
21 provided that no credit or refund shall be allowed for any
22 amount paid by any such retailer unless it shall appear that he
23 bore the burden of such amount and did not shift the burden

1 thereof to anyone else (as in the case of a duplicated tax
2 payment which the retailer made to the Department and did not
3 collect from anyone else), or unless it shall appear that he or
4 she or his or her legal representative has unconditionally
5 repaid such amount to his vendee (1) who bore the burden
6 thereof and has not shifted such burden directly or indirectly
7 in any manner whatsoever; (2) who, if he has shifted such
8 burden, has repaid unconditionally such amount to his or her
9 own vendee, and (3) who is not entitled to receive any
10 reimbursement therefor from any other source than from his
11 vendor, nor to be relieved of such burden in any other manner
12 whatsoever. If it shall appear that an amount of tax has been
13 paid in error hereunder by the purchaser to a retailer, who
14 retained such tax as reimbursement for his or her tax liability
15 on the same sale under the Retailers' Occupation Tax Act, and
16 who remitted the amount involved to the Department under the
17 Retailers' Occupation Tax Act, whether such amount be paid
18 through a mistake of fact or an error of law, the procedure for
19 recovering such tax shall be that prescribed in Sections 6, 6a,
20 6b and 6c of the Retailers' Occupation Tax Act.

21 Any credit or refund that is allowed under this Section
22 shall bear interest at the rate and in the manner specified in
23 the Uniform Penalty and Interest Act.

24 Any claim filed hereunder shall be filed upon a form
25 prescribed and furnished by the Department. The claim shall be
26 signed by the claimant (or by the claimant's legal

1 representative if the claimant shall have died or become a
2 person under legal disability), or by a duly authorized agent
3 of the claimant or his or her legal representative.

4 A claim for credit or refund shall be considered to have
5 been filed with the Department on the date upon which it is
6 received by the Department. Upon receipt of any claim for
7 credit or refund filed under this Act, any officer or employee
8 of the Department, authorized in writing by the Director of
9 Revenue to acknowledge receipt of such claims on behalf of the
10 Department, shall execute on behalf of the Department, and
11 shall deliver or mail to the claimant or his duly authorized
12 agent, a written receipt, acknowledging that the claim has been
13 filed with the Department, describing the claim in sufficient
14 detail to identify it and stating the date upon which the claim
15 was received by the Department. Such written receipt shall be
16 prima facie evidence that the Department received the claim
17 described in such receipt and shall be prima facie evidence of
18 the date when such claim was received by the Department. In the
19 absence of such a written receipt, the records of the
20 Department as to when the claim was received by the Department,
21 or as to whether or not the claim was received at all by the
22 Department, shall be deemed to be prima facie correct upon
23 these questions in the event of any dispute between the
24 claimant (or his or her legal representative) and the
25 Department concerning these questions.

26 In case the Department determines that the claimant is

1 entitled to a refund, such refund shall be made only from such
2 appropriation as may be available for that purpose. If it
3 appears unlikely that the amount appropriated would permit
4 everyone having a claim allowed during the period covered by
5 such appropriation to elect to receive a cash refund, the
6 Department, by rule or regulation, shall provide for the
7 payment of refunds in hardship cases and shall define what
8 types of cases qualify as hardship cases.

9 If a retailer who has failed to pay use tax on gross
10 receipts from retail sales is required by the Department to pay
11 such tax, such retailer, without filing any formal claim with
12 the Department, shall be allowed to take credit against such
13 use tax liability to the extent, if any, to which such retailer
14 has paid an amount equivalent to retailers' occupation tax or
15 has paid use tax in error to his or her vendor or vendors of the
16 same tangible personal property which such retailer bought for
17 resale and did not first use before selling it, and no penalty
18 or interest shall be charged to such retailer on the amount of
19 such credit. However, when such credit is allowed to the
20 retailer by the Department, the vendor is precluded from
21 refunding any of that tax to the retailer and filing a claim
22 for credit or refund with respect thereto with the Department.
23 The provisions of this amendatory Act shall be applied
24 retroactively, regardless of the date of the transaction.

25 (Source: P.A. 90-562, eff. 12-16-97.)

1 Section 7. The Service Use Tax Act is amended by changing
2 Section 12 as follows:

3 (35 ILCS 110/12) (from Ch. 120, par. 439.42)

4 Sec. 12. Applicability of Retailers' Occupation Tax Act and
5 Uniform Penalty and Interest Act. All of the provisions of
6 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,
7 2-54, 2a, 2b, 2c, 3 (except as to the disposition by the
8 Department of the money collected under this Act), 4 (except
9 that the time limitation provisions shall run from the date
10 when gross receipts are received), 5 (except that the time
11 limitation provisions on the issuance of notices of tax
12 liability shall run from the date when the tax is due rather
13 than from the date when gross receipts are received and except
14 that in the case of a failure to file a return required by this
15 Act, no notice of tax liability shall be issued on and after
16 July 1 and January 1 covering tax due with that return during
17 any month or period more than 6 years before that July 1 or
18 January 1, respectively), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k,
19 5l, 6d, 7, 8, 9, 10, 11 and 12 of the Retailers' Occupation Tax
20 Act which are not inconsistent with this Act, and Section 3-7
21 of the Uniform Penalty and Interest Act, shall apply, as far as
22 practicable, to the subject matter of this Act to the same
23 extent as if such provisions were included herein.

24 (Source: P.A. 98-1098, eff. 8-26-14.)

1 Section 10. The Service Occupation Tax Act is amended by
2 changing Section 12 as follows:

3 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

4 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
5 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12, 2-54, 2a, 2b, 2c, 3
6 (except as to the disposition by the Department of the tax
7 collected under this Act), 4 (except that the time limitation
8 provisions shall run from the date when the tax is due rather
9 than from the date when gross receipts are received), 5 (except
10 that the time limitation provisions on the issuance of notices
11 of tax liability shall run from the date when the tax is due
12 rather than from the date when gross receipts are received),
13 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 6d, 7, 8, 9, 10, 11 and
14 12 of the "Retailers' Occupation Tax Act" which are not
15 inconsistent with this Act, and Section 3-7 of the Uniform
16 Penalty and Interest Act shall apply, as far as practicable, to
17 the subject matter of this Act to the same extent as if such
18 provisions were included herein.

19 (Source: P.A. 98-1098, eff. 8-26-14.)

20 Section 15. The Retailers' Occupation Tax Act is amended by
21 adding Section 6d as follows:

22 (35 ILCS 120/6d new)

23 Sec. 6d. Deduction for uncollectible debt.

1 (a) A retailer is relieved from liability for any tax that
2 becomes due and payable if the tax is represented by amounts
3 that are found to be worthless or uncollectible, have been
4 charged off as bad debt on the retailer's books and records in
5 accordance with generally accepted accounting principles, and
6 have been claimed as a deduction pursuant to Section 166 of the
7 Internal Revenue Code on the income tax return filed by the
8 retailer. A retailer that has previously paid such a tax may,
9 under rules and regulations adopted by the Department, take as
10 a deduction the amount charged off by the retailer. If these
11 accounts are thereafter, in whole or in part, collected by the
12 retailer, the amount collected shall be included in the first
13 return filed after the collection, and the tax shall be paid
14 with the return.

15 (b) With respect to the payment of taxes on purchases made
16 through a private-label credit card:

17 (1) If consumer accounts or receivables are found to be
18 worthless or uncollectible, the retailer may claim a
19 deduction on a return in an amount equal to, or may obtain
20 a refund of, the tax remitted by the retailer on the unpaid
21 balance due if:

22 (A) the accounts or receivables have been charged
23 off as bad debt on the lender's books and records on or
24 after January 1, 2016;

25 (B) the accounts or receivables have been claimed
26 as a deduction pursuant to Section 166 of the Internal

1 Revenue Code on the federal income tax return filed by
2 the lender; and

3 (C) a deduction was not previously claimed and a
4 refund was not previously allowed on that portion of
5 the account or receivable.

6 (2) If the retailer or the lender subsequently
7 collects, in whole or in part, the accounts or receivables
8 for which a deduction or refund has been granted under
9 paragraph (1), the retailer must include the taxable
10 percentage of the amount collected in the first return
11 filed after the collection and pay the tax on the portion
12 of that amount for which a deduction or refund was granted.

13 (3) For purposes of the deduction or refund allowable
14 under this Section, the limitations period for claiming the
15 deduction or refund shall be the same as the limitations
16 period set forth in Section 6 of this Act for filing a
17 claim for credit, and shall commence on the date that the
18 account or receivable has been claimed as a bad debt
19 deduction pursuant to Section 166 of the Internal Revenue
20 Code on the federal income tax return filed by the lender,
21 regardless of the date on which the sale of the tangible
22 personal property actually occurred.

23 (4) The deduction or refund allowed under this Section:

24 (A) does not apply to credit sale transaction
25 amounts resulting from purchases of titled property;

26 (B) includes only those credit sale transaction

1 amounts that represent purchases from the retailer
2 whose name or logo appears on the private-label credit
3 card used to make those purchases;

4 (C) may only be taken by the taxpayer, or its
5 successors, that filed the return and remitted tax on
6 the original sale on which the deduction or refund
7 claim is based; and

8 (D) includes all credit sale transaction amounts
9 eligible under paragraph (B) that are outstanding with
10 respect to the specific private-label credit card
11 account or receivable at the time the account or
12 receivable is charged off, regardless of the date the
13 credit sale transaction actually occurred.

14 (5) The retailer and lender shall maintain adequate
15 books, records, or other documentation supporting the
16 charge off of the accounts or receivables for which a
17 deduction was taken or a refund was claimed under this
18 Section. A retailer claiming a deduction or refund for bad
19 debts from purchases made using a private label credit card
20 shall meet the same standard of documentation as a retailer
21 that claims a deduction or refund for bad debts that are
22 from purchases made not using a private label credit card.
23 For purposes of computing the deduction or refund, payments
24 on the accounts or receivables shall be prorated against
25 the amounts outstanding on the account.

26 (c) For purposes of this Section:

1 (1) "Retailer" means a person who holds himself or
2 herself out as being engaged (or who habitually engages) in
3 selling tangible personal property at retail with respect
4 to such sales and includes a retailer's affiliates.

5 (2) "Lender" means a person, or an affiliate, assignee,
6 or transferee of that person, who owns or has owned a
7 private-label credit card account or an interest in a
8 private-label credit card receivable that the person:

9 (A) purchased directly from a retailer who
10 remitted the tax imposed under this Act;

11 (B) originated pursuant to that person's contract
12 with the retailer who remitted the tax imposed under
13 this Act; or

14 (C) acquired from a third party.

15 (3) "Private-label credit card" means a charge card or
16 credit card that carries, refers to, or is branded with the
17 name or logo of a retailer and may only be used to make
18 purchases from that retailer or that retailer's
19 affiliates.

20 (4) "Affiliate" means an entity affiliated under
21 Section 1504 of the Internal Revenue Code, or an entity
22 that would be an affiliate under that Section had the
23 entity been a corporation.

24 (d) This Section is exempt from the provisions of Section
25 2-70 of this Act, Section 3-90 of the Use Tax Act, Section 3-55
26 of the Service Use Tax Act, Section 3-55 of the Service

1 Occupation Tax Act, and any other provision of law that
2 provides that an exemption, credit, or deduction automatically
3 sunsetts after a specified period of time after the effective
4 date of the Public Act creating the exemption, credit, or
5 deduction.

6 Section 20. The Counties Code is amended by changing
7 Sections 5-1006, 5-1006.5, and 5-1006.7 as follows:

8 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

9 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
10 Law. Any county that is a home rule unit may impose a tax upon
11 all persons engaged in the business of selling tangible
12 personal property, other than an item of tangible personal
13 property titled or registered with an agency of this State's
14 government, at retail in the county on the gross receipts from
15 such sales made in the course of their business. If imposed,
16 this tax shall only be imposed in 1/4% increments. On and after
17 September 1, 1991, this additional tax may not be imposed on
18 the sales of food for human consumption which is to be consumed
19 off the premises where it is sold (other than alcoholic
20 beverages, soft drinks and food which has been prepared for
21 immediate consumption) and prescription and nonprescription
22 medicines, drugs, medical appliances and insulin, urine
23 testing materials, syringes and needles used by diabetics. The
24 tax imposed by a home rule county pursuant to this Section and

1 all civil penalties that may be assessed as an incident thereof
2 shall be collected and enforced by the State Department of
3 Revenue. The certificate of registration that is issued by the
4 Department to a retailer under the Retailers' Occupation Tax
5 Act shall permit the retailer to engage in a business that is
6 taxable under any ordinance or resolution enacted pursuant to
7 this Section without registering separately with the
8 Department under such ordinance or resolution or under this
9 Section. The Department shall have full power to administer and
10 enforce this Section; to collect all taxes and penalties due
11 hereunder; to dispose of taxes and penalties so collected in
12 the manner hereinafter provided; and to determine all rights to
13 credit memoranda arising on account of the erroneous payment of
14 tax or penalty hereunder. In the administration of, and
15 compliance with, this Section, the Department and persons who
16 are subject to this Section shall have the same rights,
17 remedies, privileges, immunities, powers and duties, and be
18 subject to the same conditions, restrictions, limitations,
19 penalties and definitions of terms, and employ the same modes
20 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
21 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all
22 provisions therein other than the State rate of tax), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
24 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
25 and Section 3-7 of the Uniform Penalty and Interest Act, as
26 fully as if those provisions were set forth herein.

1 No tax may be imposed by a home rule county pursuant to
2 this Section unless the county also imposes a tax at the same
3 rate pursuant to Section 5-1007.

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

11 Whenever the Department determines that a refund should be
12 made under this Section to a claimant instead of issuing a
13 credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause the order to be drawn for the
15 amount specified and to the person named in the notification
16 from the Department. The refund shall be paid by the State
17 Treasurer out of the home rule county retailers' occupation tax
18 fund.

19 The Department shall forthwith pay over to the State
20 Treasurer, ex officio, as trustee, all taxes and penalties
21 collected hereunder.

22 As soon as possible after the first day of each month,
23 beginning January 1, 2011, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the Innovation

1 Development and Economy Act, collected under this Section
2 during the second preceding calendar month for sales within a
3 STAR bond district.

4 After the monthly transfer to the STAR Bonds Revenue Fund,
5 on or before the 25th day of each calendar month, the
6 Department shall prepare and certify to the Comptroller the
7 disbursement of stated sums of money to named counties, the
8 counties to be those from which retailers have paid taxes or
9 penalties hereunder to the Department during the second
10 preceding calendar month. The amount to be paid to each county
11 shall be the amount (not including credit memoranda) collected
12 hereunder during the second preceding calendar month by the
13 Department plus an amount the Department determines is
14 necessary to offset any amounts that were erroneously paid to a
15 different taxing body, and not including an amount equal to the
16 amount of refunds made during the second preceding calendar
17 month by the Department on behalf of such county, and not
18 including any amount which the Department determines is
19 necessary to offset any amounts which were payable to a
20 different taxing body but were erroneously paid to the county,
21 and not including any amounts that are transferred to the STAR
22 Bonds Revenue Fund. Within 10 days after receipt, by the
23 Comptroller, of the disbursement certification to the counties
24 provided for in this Section to be given to the Comptroller by
25 the Department, the Comptroller shall cause the orders to be
26 drawn for the respective amounts in accordance with the

1 directions contained in the certification.

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

17 For the purpose of determining the local governmental unit
18 whose tax is applicable, a retail sale by a producer of coal or
19 other mineral mined in Illinois is a sale at retail at the
20 place where the coal or other mineral mined in Illinois is
21 extracted from the earth. This paragraph does not apply to coal
22 or other mineral when it is delivered or shipped by the seller
23 to the purchaser at a point outside Illinois so that the sale
24 is exempt under the United States Constitution as a sale in
25 interstate or foreign commerce.

26 Nothing in this Section shall be construed to authorize a

1 county to impose a tax upon the privilege of engaging in any
2 business which under the Constitution of the United States may
3 not be made the subject of taxation by this State.

4 An ordinance or resolution imposing or discontinuing a tax
5 hereunder or effecting a change in the rate thereof shall be
6 adopted and a certified copy thereof filed with the Department
7 on or before the first day of June, whereupon the Department
8 shall proceed to administer and enforce this Section as of the
9 first day of September next following such adoption and filing.

10 Beginning January 1, 1992, an ordinance or resolution imposing
11 or discontinuing the tax hereunder or effecting a change in the
12 rate thereof shall be adopted and a certified copy thereof
13 filed with the Department on or before the first day of July,
14 whereupon the Department shall proceed to administer and
15 enforce this Section as of the first day of October next
16 following such adoption and filing. Beginning January 1, 1993,

17 an ordinance or resolution imposing or discontinuing the tax
18 hereunder or effecting a change in the rate thereof shall be
19 adopted and a certified copy thereof filed with the Department
20 on or before the first day of October, whereupon the Department
21 shall proceed to administer and enforce this Section as of the
22 first day of January next following such adoption and filing.

23 Beginning April 1, 1998, an ordinance or resolution imposing or
24 discontinuing the tax hereunder or effecting a change in the
25 rate thereof shall either (i) be adopted and a certified copy
26 thereof filed with the Department on or before the first day of

1 April, whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of July next following
3 the adoption and filing; or (ii) be adopted and a certified
4 copy thereof filed with the Department on or before the first
5 day of October, whereupon the Department shall proceed to
6 administer and enforce this Section as of the first day of
7 January next following the adoption and filing.

8 When certifying the amount of a monthly disbursement to a
9 county under this Section, the Department shall increase or
10 decrease such amount by an amount necessary to offset any
11 misallocation of previous disbursements. The offset amount
12 shall be the amount erroneously disbursed within the previous 6
13 months from the time a misallocation is discovered.

14 This Section shall be known and may be cited as the Home
15 Rule County Retailers' Occupation Tax Law.

16 (Source: P.A. 96-939, eff. 6-24-10.)

17 (55 ILCS 5/5-1006.5)

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

20 (a) The county board of any county may impose a tax upon
21 all persons engaged in the business of selling tangible
22 personal property, other than personal property titled or
23 registered with an agency of this State's government, at retail
24 in the county on the gross receipts from the sales made in the
25 course of business to provide revenue to be used exclusively

1 for public safety, public facility, or transportation purposes
2 in that county, if a proposition for the tax has been submitted
3 to the electors of that county and approved by a majority of
4 those voting on the question. If imposed, this tax shall be
5 imposed only in one-quarter percent increments. By resolution,
6 the county board may order the proposition to be submitted at
7 any election. If the tax is imposed for transportation purposes
8 for expenditures for public highways or as authorized under the
9 Illinois Highway Code, the county board must publish notice of
10 the existence of its long-range highway transportation plan as
11 required or described in Section 5-301 of the Illinois Highway
12 Code and must make the plan publicly available prior to
13 approval of the ordinance or resolution imposing the tax. If
14 the tax is imposed for transportation purposes for expenditures
15 for passenger rail transportation, the county board must
16 publish notice of the existence of its long-range passenger
17 rail transportation plan and must make the plan publicly
18 available prior to approval of the ordinance or resolution
19 imposing the tax.

20 If a tax is imposed for public facilities purposes, then
21 the name of the project may be included in the proposition at
22 the discretion of the county board as determined in the
23 enabling resolution. For example, the "XXX Nursing Home" or the
24 "YYY Museum".

25 The county clerk shall certify the question to the proper
26 election authority, who shall submit the proposition at an

1 election in accordance with the general election law.

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

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

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

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

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

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

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

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

1 the additional tax would cease being collected at the end
2 of (insert number of years), if not terminated earlier by a
3 vote of the county board."

4 For the purposes of the paragraph, "public safety
5 purposes" means crime prevention, detention, fire
6 fighting, police, medical, ambulance, or other emergency
7 services.

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

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

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

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."

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

26 "To pay for road improvements and other transportation

1 purposes, shall (name of county) be authorized to impose an
2 increase on its share of local sales taxes by (insert rate)
3 for a period not to exceed (insert number of years)?"

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

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

12 For the purposes of this paragraph, transportation
13 purposes means construction, maintenance, operation, and
14 improvement of public highways, any other purpose for which
15 a county may expend funds under the Illinois Highway Code,
16 and passenger rail transportation.

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

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

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

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."

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

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

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

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

20 For purposes of this Section, "public facilities
21 purposes" means the acquisition, development,
22 construction, reconstruction, rehabilitation, improvement,
23 financing, architectural planning, and installation of
24 capital facilities consisting of buildings, structures,
25 and durable equipment and for the acquisition and
26 improvement of real property and interest in real property

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

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

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

10 This additional tax may not be imposed on the sales of food
11 for human consumption that is to be consumed off the premises
12 where it is sold (other than alcoholic beverages, soft drinks,
13 and food which has been prepared for immediate consumption) and
14 prescription and non-prescription medicines, drugs, medical
15 appliances and insulin, urine testing materials, syringes, and
16 needles used by diabetics. The tax imposed by a county under
17 this Section and all civil penalties that may be assessed as an
18 incident of the tax shall be collected and enforced by the
19 Illinois Department of Revenue and deposited into a special
20 fund created for that purpose. The certificate of registration
21 that is issued by the Department to a retailer under the
22 Retailers' Occupation Tax Act shall permit the retailer to
23 engage in a business that is taxable without registering
24 separately with the Department under an ordinance or resolution
25 under this Section. The Department has full power to administer
26 and enforce this Section, to collect all taxes and penalties

1 due under this Section, to dispose of taxes and penalties so
2 collected in the manner provided in this Section, and to
3 determine all rights to credit memoranda arising on account of
4 the erroneous payment of a tax or penalty under this Section.
5 In the administration of and compliance with this Section, the
6 Department and persons who are subject to this Section shall
7 (i) have the same rights, remedies, privileges, immunities,
8 powers, and duties, (ii) be subject to the same conditions,
9 restrictions, limitations, penalties, and definitions of
10 terms, and (iii) employ the same modes of procedure as are
11 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
12 1n, 2 through 2-70 (in respect to all provisions contained in
13 those Sections other than the State rate of tax), 2a, 2b, 2c, 3
14 (except provisions relating to transaction returns and quarter
15 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,
16 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13
17 of the Retailers' Occupation Tax Act and Section 3-7 of the
18 Uniform Penalty and Interest Act as if those provisions were
19 set forth in this Section.

20 Persons subject to any tax imposed under the authority
21 granted in this Section may reimburse themselves for their
22 sellers' tax liability by separately stating the tax as an
23 additional charge, which charge may be stated in combination,
24 in a single amount, with State tax which sellers are required
25 to collect under the Use Tax Act, pursuant to such bracketed
26 schedules as the Department may prescribe.

1 Whenever the Department determines that a refund should be
2 made under this Section to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified and to the person named in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of the County Public Safety or Transportation
8 Retailers' Occupation Tax Fund.

9 (b) If a tax has been imposed under subsection (a), a
10 service occupation tax shall also be imposed at the same rate
11 upon all persons engaged, in the county, in the business of
12 making sales of service, who, as an incident to making those
13 sales of service, transfer tangible personal property within
14 the county as an incident to a sale of service. This tax may
15 not be imposed on sales of food for human consumption that is
16 to be consumed off the premises where it is sold (other than
17 alcoholic beverages, soft drinks, and food prepared for
18 immediate consumption) and prescription and non-prescription
19 medicines, drugs, medical appliances and insulin, urine
20 testing materials, syringes, and needles used by diabetics. The
21 tax imposed under this subsection and all civil penalties that
22 may be assessed as an incident thereof shall be collected and
23 enforced by the Department of Revenue. The Department has full
24 power to administer and enforce this subsection; to collect all
25 taxes and penalties due hereunder; to dispose of taxes and
26 penalties so collected in the manner hereinafter provided; and

1 to determine all rights to credit memoranda arising on account
2 of the erroneous payment of tax or penalty hereunder. In the
3 administration of, and compliance with this subsection, the
4 Department and persons who are subject to this paragraph shall
5 (i) have the same rights, remedies, privileges, immunities,
6 powers, and duties, (ii) be subject to the same conditions,
7 restrictions, limitations, penalties, exclusions, exemptions,
8 and definitions of terms, and (iii) employ the same modes of
9 procedure as are prescribed in Sections 2 (except that the
10 reference to State in the definition of supplier maintaining a
11 place of business in this State shall mean the county), 2a, 2b,
12 2c, 3 through 3-50 (in respect to all provisions therein other
13 than the State rate of tax), 4 (except that the reference to
14 the State shall be to the county), 5, 7, 8 (except that the
15 jurisdiction to which the tax shall be a debt to the extent
16 indicated in that Section 8 shall be the county), 9 (except as
17 to the disposition of taxes and penalties collected), 10, 11,
18 12 (except the reference therein to Section 2b of the
19 Retailers' Occupation Tax Act), 13 (except that any reference
20 to the State shall mean the county), Section 15, 16, 17, 18, 19
21 and 20 of the Service Occupation Tax Act and Section 3-7 of the
22 Uniform Penalty and Interest Act, as fully as if those
23 provisions were set forth herein.

24 Persons subject to any tax imposed under the authority
25 granted in this subsection may reimburse themselves for their
26 serviceman's tax liability by separately stating the tax as an

1 additional charge, which charge may be stated in combination,
2 in a single amount, with State tax that servicemen are
3 authorized to collect under the Service Use Tax Act, in
4 accordance with such bracket schedules as the Department may
5 prescribe.

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

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

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

24 As soon as possible after the first day of each month,
25 beginning January 1, 2011, upon certification of the Department
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
2 local sales tax increment, as defined in the Innovation
3 Development and Economy Act, collected under this Section
4 during the second preceding calendar month for sales within a
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on or before the 25th day of each calendar month, the
8 Department shall prepare and certify to the Comptroller the
9 disbursement of stated sums of money to the counties from which
10 retailers have paid taxes or penalties to the Department during
11 the second preceding calendar month. The amount to be paid to
12 each county, and deposited by the county into its special fund
13 created for the purposes of this Section, shall be the amount
14 (not including credit memoranda) collected under this Section
15 during the second preceding calendar month by the Department
16 plus an amount the Department determines is necessary to offset
17 any amounts that were erroneously paid to a different taxing
18 body, and not including (i) an amount equal to the amount of
19 refunds made during the second preceding calendar month by the
20 Department on behalf of the county, (ii) any amount that the
21 Department determines is necessary to offset any amounts that
22 were payable to a different taxing body but were erroneously
23 paid to the county, and (iii) any amounts that are transferred
24 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
25 the Comptroller of the disbursement certification to the
26 counties provided for in this Section to be given to the

1 Comptroller by the Department, the Comptroller shall cause the
2 orders to be drawn for the respective amounts in accordance
3 with directions contained in the certification.

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

19 A county may direct, by ordinance, that all or a portion of
20 the taxes and penalties collected under the Special County
21 Retailers' Occupation Tax For Public Safety or Transportation
22 be deposited into the Transportation Development Partnership
23 Trust Fund.

24 (d) For the purpose of determining the local governmental
25 unit whose tax is applicable, a retail sale by a producer of
26 coal or another mineral mined in Illinois is a sale at retail

1 at the place where the coal or other mineral mined in Illinois
2 is extracted from the earth. This paragraph does not apply to
3 coal or another mineral when it is delivered or shipped by the
4 seller to the purchaser at a point outside Illinois so that the
5 sale is exempt under the United States Constitution as a sale
6 in interstate or foreign commerce.

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

11 (e-5) If a county imposes a tax under this Section, the
12 county board may, by ordinance, discontinue or lower the rate
13 of the tax. If the county board lowers the tax rate or
14 discontinues the tax, a referendum must be held in accordance
15 with subsection (a) of this Section in order to increase the
16 rate of the tax or to reimpose the discontinued tax.

17 (f) Beginning April 1, 1998 and through December 31, 2013,
18 the results of any election authorizing a proposition to impose
19 a tax under this Section or effecting a change in the rate of
20 tax, or any ordinance lowering the rate or discontinuing the
21 tax, shall be certified by the county clerk and filed with the
22 Illinois Department of Revenue either (i) on or before the
23 first day of April, whereupon the Department shall proceed to
24 administer and enforce the tax as of the first day of July next
25 following the filing; or (ii) on or before the first day of
26 October, whereupon the Department shall proceed to administer

1 and enforce the tax as of the first day of January next
2 following the filing.

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

16 (g) When certifying the amount of a monthly disbursement to
17 a county under this Section, the Department shall increase or
18 decrease the amounts by an amount necessary to offset any
19 miscalculation of previous disbursements. The offset amount
20 shall be the amount erroneously disbursed within the previous 6
21 months from the time a miscalculation is discovered.

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

25 (i) For purposes of this Section, "public safety" includes,
26 but is not limited to, crime prevention, detention, fire

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

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

26 (Source: P.A. 98-584, eff. 8-27-13.)

1 (55 ILCS 5/5-1006.7)

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

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

14 This additional tax may not be imposed on the sale of food
15 for human consumption that is to be consumed off the premises
16 where it is sold (other than alcoholic beverages, soft drinks,
17 and food that has been prepared for immediate consumption) and
18 prescription and non-prescription medicines, drugs, medical
19 appliances and insulin, urine testing materials, syringes and
20 needles used by diabetics. The Department of Revenue has full
21 power to administer and enforce this subsection, to collect all
22 taxes and penalties due under this subsection, to dispose of
23 taxes and penalties so collected in the manner provided in this
24 subsection, and to determine all rights to credit memoranda
25 arising on account of the erroneous payment of a tax or penalty

1 under this subsection. The Department shall deposit all taxes
2 and penalties collected under this subsection into a special
3 fund created for that purpose.

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

18 The certificate of registration that is issued by the
19 Department to a retailer under the Retailers' Occupation Tax
20 Act permits the retailer to engage in a business that is
21 taxable without registering separately with the Department
22 under an ordinance or resolution under this subsection.

23 Persons subject to any tax imposed under the authority
24 granted in this subsection may reimburse themselves for their
25 seller's tax liability by separately stating that tax as an
26 additional charge, which may be stated in combination, in a

1 single amount, with State tax that sellers are required to
2 collect under the Use Tax Act, pursuant to any bracketed
3 schedules set forth by the Department.

4 (b) If a tax has been imposed under subsection (a), then a
5 service occupation tax must also be imposed at the same rate
6 upon all persons engaged, in the county, in the business of
7 making sales of service, who, as an incident to making those
8 sales of service, transfer tangible personal property within
9 the county as an incident to a sale of service.

10 This tax may not be imposed on sales of food for human
11 consumption that is to be consumed off the premises where it is
12 sold (other than alcoholic beverages, soft drinks, and food
13 prepared for immediate consumption) and prescription and
14 non-prescription medicines, drugs, medical appliances and
15 insulin, urine testing materials, syringes, and needles used by
16 diabetics.

17 The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident thereof shall be
19 collected and enforced by the Department and deposited into a
20 special fund created for that purpose. The Department has full
21 power to administer and enforce this subsection, to collect all
22 taxes and penalties due under this subsection, to dispose of
23 taxes and penalties so collected in the manner provided in this
24 subsection, and to determine all rights to credit memoranda
25 arising on account of the erroneous payment of a tax or penalty
26 under this subsection.

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

22 Persons subject to any tax imposed under the authority
23 granted in this subsection may reimburse themselves for their
24 serviceman's tax liability by separately stating the tax as an
25 additional charge, which may be stated in combination, in a
26 single amount, with State tax that servicemen are authorized to

1 collect under the Service Use Tax Act, pursuant to any
2 bracketed schedules set forth by the Department.

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

13 For all regular elections held prior to the effective date
14 of this amendatory Act of the 97th General Assembly, the
15 election authority must submit the question in substantially
16 the following form:

17 Shall (name of county) be authorized to impose a
18 retailers' occupation tax and a service occupation tax
19 (commonly referred to as a "sales tax") at a rate of
20 (insert rate) to be used exclusively for school facility
21 purposes?

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

23 If a majority of the electors voting on the question vote
24 in the affirmative, then the county may, thereafter, impose the
25 tax.

26 For all regular elections held on or after the effective

1 date of this amendatory Act of the 97th General Assembly, the
2 regional superintendent of schools for the county must, upon
3 receipt of a resolution or resolutions of school district
4 boards that represent more than 50% of the student enrollment
5 within the county, certify the question to the proper election
6 authority for submission to the electors of the county at the
7 next regular election at which the question lawfully may be
8 submitted to the electors, all in accordance with the Election
9 Code.

10 For all regular elections held on or after the effective
11 date of this amendatory Act of the 97th General Assembly, the
12 election authority must submit the question in substantially
13 the following form:

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

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

19 If a majority of the electors voting on the question vote
20 in the affirmative, then the tax shall be imposed at the rate
21 set forth in the question.

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

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

6 On or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to the regional
9 superintendents of schools in counties from which retailers or
10 servicemen have paid taxes or penalties to the Department
11 during the second preceding calendar month. The amount to be
12 paid to each regional superintendent of schools and disbursed
13 to him or her in accordance with Section 3-14.31 of the School
14 Code, is equal to the amount (not including credit memoranda)
15 collected from the county under this Section during the second
16 preceding calendar month by the Department, (i) less 2% of that
17 amount, which shall be deposited into the Tax Compliance and
18 Administration Fund and shall be used by the Department,
19 subject to appropriation, to cover the costs of the Department
20 in administering and enforcing the provisions of this Section,
21 on behalf of the county, (ii) plus an amount that the
22 Department determines is necessary to offset any amounts that
23 were erroneously paid to a different taxing body; (iii) less an
24 amount equal to the amount of refunds made during the second
25 preceding calendar month by the Department on behalf of the
26 county; and (iv) less any amount that the Department determines

1 is necessary to offset any amounts that were payable to a
2 different taxing body but were erroneously paid to the county.
3 When certifying the amount of a monthly disbursement to a
4 regional superintendent of schools under this Section, the
5 Department shall increase or decrease the amounts by an amount
6 necessary to offset any miscalculation of previous
7 disbursements within the previous 6 months from the time a
8 miscalculation is discovered.

9 Within 10 days after receipt by the Comptroller from the
10 Department of the disbursement certification to the regional
11 superintendents of the schools provided for in this Section,
12 the Comptroller shall cause the orders to be drawn for the
13 respective amounts in accordance with directions contained in
14 the certification.

15 If the Department determines that a refund should be made
16 under this Section to a claimant instead of issuing a credit
17 memorandum, then the Department shall notify the Comptroller,
18 who shall cause the order to be drawn for the amount specified
19 and to the person named in the notification from the
20 Department. The refund shall be paid by the Treasurer out of
21 the School Facility Occupation Tax Fund.

22 (e) For the purposes of determining the local governmental
23 unit whose tax is applicable, a retail sale by a producer of
24 coal or another mineral mined in Illinois is a sale at retail
25 at the place where the coal or other mineral mined in Illinois
26 is extracted from the earth. This subsection does not apply to

1 coal or another mineral when it is delivered or shipped by the
2 seller to the purchaser at a point outside Illinois so that the
3 sale is exempt under the United States Constitution as a sale
4 in interstate or foreign commerce.

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

9 (g) If a county board imposes a tax under this Section
10 pursuant to a referendum held before the effective date of this
11 amendatory Act of the 97th General Assembly at a rate below the
12 rate set forth in the question approved by a majority of
13 electors of that county voting on the question as provided in
14 subsection (c), then the county board may, by ordinance,
15 increase the rate of the tax up to the rate set forth in the
16 question approved by a majority of electors of that county
17 voting on the question as provided in subsection (c). If a
18 county board imposes a tax under this Section pursuant to a
19 referendum held before the effective date of this amendatory
20 Act of the 97th General Assembly, then the board may, by
21 ordinance, discontinue or reduce the rate of the tax. If a tax
22 is imposed under this Section pursuant to a referendum held on
23 or after the effective date of this amendatory Act of the 97th
24 General Assembly, then the county board may reduce or
25 discontinue the tax, but only in accordance with subsection
26 (h-5) of this Section. If, however, a school board issues bonds

1 that are secured by the proceeds of the tax under this Section,
2 then the county board may not reduce the tax rate or
3 discontinue the tax if that rate reduction or discontinuance
4 would adversely affect the school board's ability to pay the
5 principal and interest on those bonds as they become due or
6 necessitate the extension of additional property taxes to pay
7 the principal and interest on those bonds. If the county board
8 reduces the tax rate or discontinues the tax, then a referendum
9 must be held in accordance with subsection (c) of this Section
10 in order to increase the rate of the tax or to reimpose the
11 discontinued tax.

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

24 Beginning January 1, 2014, the results of any election that
25 imposes, reduces, or discontinues a tax under this Section must
26 be certified by the election authority, and any ordinance that

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

10 (h) For purposes of this Section, "school facility
11 purposes" means (i) the acquisition, development,
12 construction, reconstruction, rehabilitation, improvement,
13 financing, architectural planning, and installation of capital
14 facilities consisting of buildings, structures, and durable
15 equipment and for the acquisition and improvement of real
16 property and interest in real property required, or expected to
17 be required, in connection with the capital facilities and (ii)
18 the payment of bonds or other obligations heretofore or
19 hereafter issued, including bonds or other obligations
20 heretofore or hereafter issued to refund or to continue to
21 refund bonds or other obligations issued, for school facility
22 purposes, provided that the taxes levied to pay those bonds are
23 abated by the amount of the taxes imposed under this Section
24 that are used to pay those bonds. "School-facility purposes"
25 also includes fire prevention, safety, energy conservation,
26 disabled accessibility, school security, and specified repair

1 purposes set forth under Section 17-2.11 of the School Code.

2 (h-5) A county board in a county where a tax has been
3 imposed under this Section pursuant to a referendum held on or
4 after the effective date of this amendatory Act of the 97th
5 General Assembly may, by ordinance or resolution, submit to the
6 voters of the county the question of reducing or discontinuing
7 the tax. In the ordinance or resolution, the county board shall
8 certify the question to the proper election authority in
9 accordance with the Election Code. The election authority must
10 submit the question in substantially the following form:

11 Shall the school facility retailers' occupation tax
12 and service occupation tax (commonly referred to as the
13 "school facility sales tax") currently imposed in (name of
14 county) at a rate of (insert rate) be (reduced to (insert
15 rate))(discontinued)?

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

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

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

23 (Source: P.A. 97-542, eff. 8-23-11; 97-813, eff. 7-13-12;
24 98-584, eff. 8-27-13.)

25 Section 25. The Illinois Municipal Code is amended by

1 changing Sections 8-11-1, 8-11-1.3, and 8-11-1.6 as follows:

2 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

3 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
4 Act. The corporate authorities of a home rule municipality may
5 impose a tax upon all persons engaged in the business of
6 selling tangible personal property, other than an item of
7 tangible personal property titled or registered with an agency
8 of this State's government, at retail in the municipality on
9 the gross receipts from these sales made in the course of such
10 business. If imposed, the tax shall only be imposed in 1/4%
11 increments. On and after September 1, 1991, this additional tax
12 may not be imposed on the sales of food for human consumption
13 that is to be consumed off the premises where it is sold (other
14 than alcoholic beverages, soft drinks and food that has been
15 prepared for immediate consumption) and prescription and
16 nonprescription medicines, drugs, medical appliances and
17 insulin, urine testing materials, syringes and needles used by
18 diabetics. The tax imposed by a home rule municipality under
19 this Section and all civil penalties that may be assessed as an
20 incident of the tax shall be collected and enforced by the
21 State Department of Revenue. The certificate of registration
22 that is issued by the Department to a retailer under the
23 Retailers' Occupation Tax Act shall permit the retailer to
24 engage in a business that is taxable under any ordinance or
25 resolution enacted pursuant to this Section without

1 registering separately with the Department under such
2 ordinance or resolution or under this Section. The Department
3 shall have full power to administer and enforce this Section;
4 to collect all taxes and penalties due hereunder; to dispose of
5 taxes and penalties so collected in the manner hereinafter
6 provided; and to determine all rights to credit memoranda
7 arising on account of the erroneous payment of tax or penalty
8 hereunder. In the administration of, and compliance with, this
9 Section the Department and persons who are subject to this
10 Section shall have the same rights, remedies, privileges,
11 immunities, powers and duties, and be subject to the same
12 conditions, restrictions, limitations, penalties and
13 definitions of terms, and employ the same modes of procedure,
14 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,
15 1m, 1n, 2 through 2-65 (in respect to all provisions therein
16 other than the State rate of tax), 2c, 3 (except as to the
17 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
18 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,
19 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
20 Section 3-7 of the Uniform Penalty and Interest Act, as fully
21 as if those provisions were set forth herein.

22 No tax may be imposed by a home rule municipality under
23 this Section unless the municipality also imposes a tax at the
24 same rate under Section 8-11-5 of this Act.

25 Persons subject to any tax imposed under the authority
26 granted in this Section may reimburse themselves for their

1 seller's tax liability hereunder by separately stating that tax
2 as an additional charge, which charge may be stated in
3 combination, in a single amount, with State tax which sellers
4 are required to collect under the Use Tax Act, pursuant to such
5 bracket schedules as the Department may prescribe.

6 Whenever the Department determines that a refund should be
7 made under this Section to a claimant instead of issuing a
8 credit memorandum, the Department shall notify the State
9 Comptroller, who shall cause the order to be drawn for the
10 amount specified and to the person named in the notification
11 from the Department. The refund shall be paid by the State
12 Treasurer out of the home rule municipal retailers' occupation
13 tax fund.

14 The Department shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected hereunder.

17 As soon as possible after the first day of each month,
18 beginning January 1, 2011, upon certification of the Department
19 of Revenue, the Comptroller shall order transferred, and the
20 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
21 local sales tax increment, as defined in the Innovation
22 Development and Economy Act, collected under this Section
23 during the second preceding calendar month for sales within a
24 STAR bond district.

25 After the monthly transfer to the STAR Bonds Revenue Fund,
26 on or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the
2 disbursement of stated sums of money to named municipalities,
3 the municipalities to be those from which retailers have paid
4 taxes or penalties hereunder to the Department during the
5 second preceding calendar month. The amount to be paid to each
6 municipality shall be the amount (not including credit
7 memoranda) collected hereunder during the second preceding
8 calendar month by the Department plus an amount the Department
9 determines is necessary to offset any amounts that were
10 erroneously paid to a different taxing body, and not including
11 an amount equal to the amount of refunds made during the second
12 preceding calendar month by the Department on behalf of such
13 municipality, and not including any amount that the Department
14 determines is necessary to offset any amounts that were payable
15 to a different taxing body but were erroneously paid to the
16 municipality, and not including any amounts that are
17 transferred to the STAR Bonds Revenue Fund. Within 10 days
18 after receipt by the Comptroller of the disbursement
19 certification to the municipalities provided for in this
20 Section to be given to the Comptroller by the Department, the
21 Comptroller shall cause the orders to be drawn for the
22 respective amounts in accordance with the directions contained
23 in the certification.

24 In addition to the disbursement required by the preceding
25 paragraph and in order to mitigate delays caused by
26 distribution procedures, an allocation shall, if requested, be

1 made within 10 days after January 14, 1991, and in November of
2 1991 and each year thereafter, to each municipality that
3 received more than \$500,000 during the preceding fiscal year,
4 (July 1 through June 30) whether collected by the municipality
5 or disbursed by the Department as required by this Section.
6 Within 10 days after January 14, 1991, participating
7 municipalities shall notify the Department in writing of their
8 intent to participate. In addition, for the initial
9 distribution, participating municipalities shall certify to
10 the Department the amounts collected by the municipality for
11 each month under its home rule occupation and service
12 occupation tax during the period July 1, 1989 through June 30,
13 1990. The allocation within 10 days after January 14, 1991,
14 shall be in an amount equal to the monthly average of these
15 amounts, excluding the 2 months of highest receipts. The
16 monthly average for the period of July 1, 1990 through June 30,
17 1991 will be determined as follows: the amounts collected by
18 the municipality under its home rule occupation and service
19 occupation tax during the period of July 1, 1990 through
20 September 30, 1990, plus amounts collected by the Department
21 and paid to such municipality through June 30, 1991, excluding
22 the 2 months of highest receipts. The monthly average for each
23 subsequent period of July 1 through June 30 shall be an amount
24 equal to the monthly distribution made to each such
25 municipality under the preceding paragraph during this period,
26 excluding the 2 months of highest receipts. The distribution

1 made in November 1991 and each year thereafter under this
2 paragraph and the preceding paragraph shall be reduced by the
3 amount allocated and disbursed under this paragraph in the
4 preceding period of July 1 through June 30. The Department
5 shall prepare and certify to the Comptroller for disbursement
6 the allocations made in accordance with this paragraph.

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

16 Nothing in this Section shall be construed to authorize a
17 municipality to impose a tax upon the privilege of engaging in
18 any business which under the Constitution of the United States
19 may not be made the subject of taxation by this State.

20 An ordinance or resolution imposing or discontinuing a tax
21 hereunder or effecting a change in the rate thereof shall be
22 adopted and a certified copy thereof filed with the Department
23 on or before the first day of June, whereupon the Department
24 shall proceed to administer and enforce this Section as of the
25 first day of September next following the adoption and filing.
26 Beginning January 1, 1992, an ordinance or resolution imposing

1 or discontinuing the tax hereunder or effecting a change in the
2 rate thereof shall be adopted and a certified copy thereof
3 filed with the Department on or before the first day of July,
4 whereupon the Department shall proceed to administer and
5 enforce this Section as of the first day of October next
6 following such adoption and filing. Beginning January 1, 1993,
7 an ordinance or resolution imposing or discontinuing the tax
8 hereunder or effecting a change in the rate thereof shall be
9 adopted and a certified copy thereof filed with the Department
10 on or before the first day of October, whereupon the Department
11 shall proceed to administer and enforce this Section as of the
12 first day of January next following the adoption and filing.
13 However, a municipality located in a county with a population
14 in excess of 3,000,000 that elected to become a home rule unit
15 at the general primary election in 1994 may adopt an ordinance
16 or resolution imposing the tax under this Section and file a
17 certified copy of the ordinance or resolution with the
18 Department on or before July 1, 1994. The Department shall then
19 proceed to administer and enforce this Section as of October 1,
20 1994. Beginning April 1, 1998, an ordinance or resolution
21 imposing or discontinuing the tax hereunder or effecting a
22 change in the rate thereof shall either (i) be adopted and a
23 certified copy thereof filed with the Department on or before
24 the first day of April, whereupon the Department shall proceed
25 to administer and enforce this Section as of the first day of
26 July next following the adoption and filing; or (ii) be adopted

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

5 When certifying the amount of a monthly disbursement to a
6 municipality under this Section, the Department shall increase
7 or decrease the amount by an amount necessary to offset any
8 misallocation of previous disbursements. The offset amount
9 shall be the amount erroneously disbursed within the previous 6
10 months from the time a misallocation is discovered.

11 Any unobligated balance remaining in the Municipal
12 Retailers' Occupation Tax Fund on December 31, 1989, which fund
13 was abolished by Public Act 85-1135, and all receipts of
14 municipal tax as a result of audits of liability periods prior
15 to January 1, 1990, shall be paid into the Local Government Tax
16 Fund for distribution as provided by this Section prior to the
17 enactment of Public Act 85-1135. All receipts of municipal tax
18 as a result of an assessment not arising from an audit, for
19 liability periods prior to January 1, 1990, shall be paid into
20 the Local Government Tax Fund for distribution before July 1,
21 1990, as provided by this Section prior to the enactment of
22 Public Act 85-1135; and on and after July 1, 1990, all such
23 receipts shall be distributed as provided in Section 6z-18 of
24 the State Finance Act.

25 As used in this Section, "municipal" and "municipality"
26 means a city, village or incorporated town, including an

1 incorporated town that has superseded a civil township.

2 This Section shall be known and may be cited as the Home
3 Rule Municipal Retailers' Occupation Tax Act.

4 (Source: P.A. 96-939, eff. 6-24-10.)

5 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

6 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
7 Occupation Tax Act. The corporate authorities of a non-home
8 rule municipality may impose a tax upon all persons engaged in
9 the business of selling tangible personal property, other than
10 on an item of tangible personal property which is titled and
11 registered by an agency of this State's Government, at retail
12 in the municipality for expenditure on public infrastructure or
13 for property tax relief or both as defined in Section 8-11-1.2
14 if approved by referendum as provided in Section 8-11-1.1, of
15 the gross receipts from such sales made in the course of such
16 business. If the tax is approved by referendum on or after July
17 14, 2010 (the effective date of Public Act 96-1057), the
18 corporate authorities of a non-home rule municipality may,
19 until December 31, 2020, use the proceeds of the tax for
20 expenditure on municipal operations, in addition to or in lieu
21 of any expenditure on public infrastructure or for property tax
22 relief. The tax imposed may not be more than 1% and may be
23 imposed only in 1/4% increments. The tax may not be imposed on
24 the sale of food for human consumption that is to be consumed
25 off the premises where it is sold (other than alcoholic

1 beverages, soft drinks, and food that has been prepared for
2 immediate consumption) and prescription and nonprescription
3 medicines, drugs, medical appliances, and insulin, urine
4 testing materials, syringes, and needles used by diabetics. The
5 tax imposed by a municipality pursuant to this Section and all
6 civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The certificate of registration which is issued by the
9 Department to a retailer under the Retailers' Occupation Tax
10 Act shall permit such retailer to engage in a business which is
11 taxable under any ordinance or resolution enacted pursuant to
12 this Section without registering separately with the
13 Department under such ordinance or resolution or under this
14 Section. The Department shall have full power to administer and
15 enforce this Section; to collect all taxes and penalties due
16 hereunder; to dispose of taxes and penalties so collected in
17 the manner hereinafter provided, and to determine all rights to
18 credit memoranda, arising on account of the erroneous payment
19 of tax or penalty hereunder. In the administration of, and
20 compliance with, this Section, the Department and persons who
21 are subject to this Section shall have the same rights,
22 remedies, privileges, immunities, powers and duties, and be
23 subject to the same conditions, restrictions, limitations,
24 penalties and definitions of terms, and employ the same modes
25 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
26 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions

1 therein other than the State rate of tax), 2c, 3 (except as to
2 the disposition of taxes and penalties collected), 4, 5, 5a,
3 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
4 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
5 and Section 3-7 of the Uniform Penalty and Interest Act as
6 fully as if those provisions were set forth herein.

7 No municipality may impose a tax under this Section unless
8 the municipality also imposes a tax at the same rate under
9 Section 8-11-1.4 of this Code.

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

17 Whenever the Department determines that a refund should be
18 made under this Section to a claimant instead of issuing a
19 credit memorandum, the Department shall notify the State
20 Comptroller, who shall cause the order to be drawn for the
21 amount specified, and to the person named, in such notification
22 from the Department. Such refund shall be paid by the State
23 Treasurer out of the non-home rule municipal retailers'
24 occupation tax fund.

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

1 collected hereunder.

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

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

1 the municipality, and not including any amounts that are
2 transferred to the STAR Bonds Revenue Fund. Within 10 days
3 after receipt, by the Comptroller, of the disbursement
4 certification to the municipalities, provided for in this
5 Section to be given to the Comptroller by the Department, the
6 Comptroller shall cause the orders to be drawn for the
7 respective amounts in accordance with the directions contained
8 in such certification.

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

18 Nothing in this Section shall be construed to authorize a
19 municipality to impose a tax upon the privilege of engaging in
20 any business which under the constitution of the United States
21 may not be made the subject of taxation by this State.

22 When certifying the amount of a monthly disbursement to a
23 municipality under this Section, the Department shall increase
24 or decrease such amount by an amount necessary to offset any
25 misallocation of previous disbursements. The offset amount
26 shall be the amount erroneously disbursed within the previous 6

1 months from the time a misallocation is discovered.

2 The Department of Revenue shall implement this amendatory
3 Act of the 91st General Assembly so as to collect the tax on
4 and after January 1, 2002.

5 As used in this Section, "municipal" and "municipality"
6 means a city, village or incorporated town, including an
7 incorporated town which has superseded a civil township.

8 This Section shall be known and may be cited as the
9 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

10 (Source: P.A. 96-939, eff. 6-24-10; 96-1057, eff. 7-14-10;
11 97-333, eff. 8-12-11; 97-837, eff. 7-20-12.)

12 (65 ILCS 5/8-11-1.6)

13 Sec. 8-11-1.6. Non-home rule municipal retailers
14 occupation tax; municipalities between 20,000 and 25,000. The
15 corporate authorities of a non-home rule municipality with a
16 population of more than 20,000 but less than 25,000 that has,
17 prior to January 1, 1987, established a Redevelopment Project
18 Area that has been certified as a State Sales Tax Boundary and
19 has issued bonds or otherwise incurred indebtedness to pay for
20 costs in excess of \$5,000,000, which is secured in part by a
21 tax increment allocation fund, in accordance with the
22 provisions of Division 11-74.4 of this Code may, by passage of
23 an ordinance, impose a tax upon all persons engaged in the
24 business of selling tangible personal property, other than on
25 an item of tangible personal property that is titled and

1 registered by an agency of this State's Government, at retail
2 in the municipality. This tax may not be imposed on the sales
3 of food for human consumption that is to be consumed off the
4 premises where it is sold (other than alcoholic beverages, soft
5 drinks, and food that has been prepared for immediate
6 consumption) and prescription and nonprescription medicines,
7 drugs, medical appliances and insulin, urine testing
8 materials, syringes, and needles used by diabetics. If imposed,
9 the tax shall only be imposed in .25% increments of the gross
10 receipts from such sales made in the course of business. Any
11 tax imposed by a municipality under this Sec. and all civil
12 penalties that may be assessed as an incident thereof shall be
13 collected and enforced by the State Department of Revenue. An
14 ordinance imposing a tax hereunder or effecting a change in the
15 rate thereof shall be adopted and a certified copy thereof
16 filed with the Department on or before the first day of
17 October, whereupon the Department shall proceed to administer
18 and enforce this Section as of the first day of January next
19 following such adoption and filing. The certificate of
20 registration that is issued by the Department to a retailer
21 under the Retailers' Occupation Tax Act shall permit the
22 retailer to engage in a business that is taxable under any
23 ordinance or resolution enacted under this Section without
24 registering separately with the Department under the ordinance
25 or resolution or under this Section. The Department shall have
26 full power to administer and enforce this Section, to collect

1 all taxes and penalties due hereunder, to dispose of taxes and
2 penalties so collected in the manner hereinafter provided, and
3 to determine all rights to credit memoranda, arising on account
4 of the erroneous payment of tax or penalty hereunder. In the
5 administration of, and compliance with this Section, the
6 Department and persons who are subject to this Section shall
7 have the same rights, remedies, privileges, immunities,
8 powers, and duties, and be subject to the same conditions,
9 restrictions, limitations, penalties, and definitions of
10 terms, and employ the same modes of procedure, as are
11 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2
12 through 2-65 (in respect to all provisions therein other than
13 the State rate of tax), 2c, 3 (except as to the disposition of
14 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
15 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
16 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
17 the Uniform Penalty and Interest Act as fully as if those
18 provisions were set forth herein.

19 A tax may not be imposed by a municipality under this
20 Section unless the municipality also imposes a tax at the same
21 rate under Section 8-11-1.7 of this Act.

22 Persons subject to any tax imposed under the authority
23 granted in this Section, may reimburse themselves for their
24 seller's tax liability hereunder by separately stating the tax
25 as an additional charge, which charge may be stated in
26 combination, in a single amount, with State tax which sellers

1 are required to collect under the Use Tax Act, pursuant to such
2 bracket schedules as the Department may prescribe.

3 Whenever the Department determines that a refund should be
4 made under this Section to a claimant, instead of issuing a
5 credit memorandum, the Department shall notify the State
6 Comptroller, who shall cause the order to be drawn for the
7 amount specified, and to the person named in the notification
8 from the Department. The refund shall be paid by the State
9 Treasurer out of the Non-Home Rule Municipal Retailers'
10 Occupation Tax Fund, which is hereby created.

11 The Department shall forthwith pay over to the State
12 Treasurer, ex officio, as trustee, all taxes and penalties
13 collected hereunder.

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

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the
24 Department shall prepare and certify to the Comptroller the
25 disbursement of stated sums of money to named municipalities,
26 the municipalities to be those from which retailers have paid

1 taxes or penalties hereunder to the Department during the
2 second preceding calendar month. The amount to be paid to each
3 municipality shall be the amount (not including credit
4 memoranda) collected hereunder during the second preceding
5 calendar month by the Department plus an amount the Department
6 determines is necessary to offset any amounts that were
7 erroneously paid to a different taxing body, and not including
8 an amount equal to the amount of refunds made during the second
9 preceding calendar month by the Department on behalf of the
10 municipality, and not including any amount that the Department
11 determines is necessary to offset any amounts that were payable
12 to a different taxing body but were erroneously paid to the
13 municipality, and not including any amounts that are
14 transferred to the STAR Bonds Revenue Fund. Within 10 days
15 after receipt by the Comptroller of the disbursement
16 certification to the municipalities provided for in this
17 Section to be given to the Comptroller by the Department, the
18 Comptroller shall cause the orders to be drawn for the
19 respective amounts in accordance with the directions contained
20 in the certification.

21 For the purpose of determining the local governmental unit
22 whose tax is applicable, a retail sale by a producer of coal or
23 other mineral mined in Illinois is a sale at retail at the
24 place where the coal or other mineral mined in Illinois is
25 extracted from the earth. This paragraph does not apply to coal
26 or other mineral when it is delivered or shipped by the seller

1 to the purchaser at a point outside Illinois so that the sale
2 is exempt under the federal Constitution as a sale in
3 interstate or foreign commerce.

4 Nothing in this Section shall be construed to authorize a
5 municipality to impose a tax upon the privilege of engaging in
6 any business which under the constitution of the United States
7 may not be made the subject of taxation by this State.

8 When certifying the amount of a monthly disbursement to a
9 municipality under this Section, the Department shall increase
10 or decrease the amount by an amount necessary to offset any
11 misallocation of previous disbursements. The offset amount
12 shall be the amount erroneously disbursed within the previous 6
13 months from the time a misallocation is discovered.

14 As used in this Section, "municipal" and "municipality"
15 means a city, village, or incorporated town, including an
16 incorporated town that has superseded a civil township.

17 (Source: P.A. 96-939, eff. 6-24-10.)

18 Section 30. The Flood Prevention District Act is amended by
19 changing Section 25 as follows:

20 (70 ILCS 750/25)

21 Sec. 25. Flood prevention retailers' and service
22 occupation taxes.

23 (a) If the Board of Commissioners of a flood prevention
24 district determines that an emergency situation exists

1 regarding levee repair or flood prevention, and upon an
2 ordinance confirming the determination adopted by the
3 affirmative vote of a majority of the members of the county
4 board of the county in which the district is situated, the
5 county may impose a flood prevention retailers' occupation tax
6 upon all persons engaged in the business of selling tangible
7 personal property at retail within the territory of the
8 district to provide revenue to pay the costs of providing
9 emergency levee repair and flood prevention and to secure the
10 payment of bonds, notes, and other evidences of indebtedness
11 issued under this Act for a period not to exceed 25 years or as
12 required to repay the bonds, notes, and other evidences of
13 indebtedness issued under this Act. The tax rate shall be 0.25%
14 of the gross receipts from all taxable sales made in the course
15 of that business. The tax imposed under this Section and all
16 civil penalties that may be assessed as an incident thereof
17 shall be collected and enforced by the State Department of
18 Revenue. The Department shall have full power to administer and
19 enforce this Section; to collect all taxes and penalties so
20 collected in the manner hereinafter provided; and to determine
21 all rights to credit memoranda arising on account of the
22 erroneous payment of tax or penalty hereunder.

23 In the administration of and compliance with this
24 subsection, the Department and persons who are subject to this
25 subsection (i) have the same rights, remedies, privileges,
26 immunities, powers, and duties, (ii) are subject to the same

1 conditions, restrictions, limitations, penalties, and
2 definitions of terms, and (iii) shall employ the same modes of
3 procedure as are set forth in Sections 1 through 10, 2 through
4 2-70 (in respect to all provisions contained in those Sections
5 other than the State rate of tax), 2a through 2h, 3 (except as
6 to the disposition of taxes and penalties collected), 4, 5, 5a,
7 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
8 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act
9 and all provisions of the Uniform Penalty and Interest Act as
10 if those provisions were set forth in this subsection.

11 Persons subject to any tax imposed under this Section may
12 reimburse themselves for their seller's tax liability
13 hereunder by separately stating the tax as an additional
14 charge, which charge may be stated in combination in a single
15 amount with State taxes that sellers are required to collect
16 under the Use Tax Act, under any bracket schedules the
17 Department may prescribe.

18 If a tax is imposed under this subsection (a), a tax shall
19 also be imposed under subsection (b) of this Section.

20 (b) If a tax has been imposed under subsection (a), a flood
21 prevention service occupation tax shall also be imposed upon
22 all persons engaged within the territory of the district in the
23 business of making sales of service, who, as an incident to
24 making the sales of service, transfer tangible personal
25 property, either in the form of tangible personal property or
26 in the form of real estate as an incident to a sale of service

1 to provide revenue to pay the costs of providing emergency
2 levee repair and flood prevention and to secure the payment of
3 bonds, notes, and other evidences of indebtedness issued under
4 this Act for a period not to exceed 25 years or as required to
5 repay the bonds, notes, and other evidences of indebtedness.
6 The tax rate shall be 0.25% of the selling price of all
7 tangible personal property transferred.

8 The tax imposed under this subsection and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the State Department of Revenue. The
11 Department shall have full power to administer and enforce this
12 subsection; to collect all taxes and penalties due hereunder;
13 to dispose of taxes and penalties collected in the manner
14 hereinafter provided; and to determine all rights to credit
15 memoranda arising on account of the erroneous payment of tax or
16 penalty hereunder.

17 In the administration of and compliance with this
18 subsection, the Department and persons who are subject to this
19 subsection shall (i) have the same rights, remedies,
20 privileges, immunities, powers, and duties, (ii) be subject to
21 the same conditions, restrictions, limitations, penalties, and
22 definitions of terms, and (iii) employ the same modes of
23 procedure as are set forth in Sections 2 (except that the
24 reference to State in the definition of supplier maintaining a
25 place of business in this State means the district), 2a through
26 2d, 3 through 3-50 (in respect to all provisions contained in

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

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

19 (c) The taxes imposed in subsections (a) and (b) may not be
20 imposed on personal property titled or registered with an
21 agency of the State; food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, soft drinks, and food that has been
24 prepared for immediate consumption); prescription and
25 non-prescription medicines, drugs, and medical appliances;
26 modifications to a motor vehicle for the purpose of rendering

1 it usable by a disabled person; or insulin, urine testing
2 materials, and syringes and needles used by diabetics.

3 (d) Nothing in this Section shall be construed to authorize
4 the district to impose a tax upon the privilege of engaging in
5 any business that under the Constitution of the United States
6 may not be made the subject of taxation by the State.

7 (e) The certificate of registration that is issued by the
8 Department to a retailer under the Retailers' Occupation Tax
9 Act or a serviceman under the Service Occupation Tax Act
10 permits the retailer or serviceman to engage in a business that
11 is taxable without registering separately with the Department
12 under an ordinance or resolution under this Section.

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

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 or servicemen have paid taxes or penalties to the
22 Department during the second preceding calendar month. The
23 amount to be paid to each county is equal to the amount (not
24 including credit memoranda) collected from the county under
25 this Section during the second preceding calendar month by the
26 Department, (i) less 2% of that amount, which shall be

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

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

22 If the Department determines that a refund should be made
23 under this Section to a claimant instead of issuing a credit
24 memorandum, then the Department shall notify the Comptroller,
25 who shall cause the order to be drawn for the amount specified
26 and to the person named in the notification from the

1 Department. The refund shall be paid by the Treasurer out of
2 the Flood Prevention Occupation Tax Fund.

3 (g) If a county imposes a tax under this Section, then the
4 county board shall, by ordinance, discontinue the tax upon the
5 payment of all indebtedness of the flood prevention district.
6 The tax shall not be discontinued until all indebtedness of the
7 District has been paid.

8 (h) Any ordinance imposing the tax under this Section, or
9 any ordinance that discontinues the tax, must be certified by
10 the county clerk and filed with the Illinois Department of
11 Revenue either (i) on or before the first day of April,
12 whereupon the Department shall proceed to administer and
13 enforce the tax or change in the rate as of the first day of
14 July next following the filing; or (ii) on or before the first
15 day of October, whereupon the Department shall proceed to
16 administer and enforce the tax or change in the rate as of the
17 first day of January next following the filing.

18 (j) County Flood Prevention Occupation Tax Fund. All
19 proceeds received by a county from a tax distribution under
20 this Section must be maintained in a special fund known as the
21 [name of county] flood prevention occupation tax fund. The
22 county shall, at the direction of the flood prevention
23 district, use moneys in the fund to pay the costs of providing
24 emergency levee repair and flood prevention and to pay bonds,
25 notes, and other evidences of indebtedness issued under this
26 Act.

1 (k) This Section may be cited as the Flood Prevention
2 Occupation Tax Law.

3 (Source: P.A. 96-939, eff. 6-24-10; 97-188, eff. 7-22-11.)

4 Section 35. The Metro-East Park and Recreation District Act
5 is amended by changing Section 30 as follows:

6 (70 ILCS 1605/30)

7 Sec. 30. Taxes.

8 (a) The board shall impose a tax upon all persons engaged
9 in the business of selling tangible personal property, other
10 than personal property titled or registered with an agency of
11 this State's government, at retail in the District on the gross
12 receipts from the sales made in the course of business. This
13 tax shall be imposed only at the rate of one-tenth of one per
14 cent.

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

1 is issued by the Department to a retailer under the Retailers'
2 Occupation Tax Act shall permit the retailer to engage in a
3 business that is taxable without registering separately with
4 the Department under an ordinance or resolution under this
5 Section. The Department has full power to administer and
6 enforce this Section, to collect all taxes and penalties due
7 under this Section, to dispose of taxes and penalties so
8 collected in the manner provided in this Section, and to
9 determine all rights to credit memoranda arising on account of
10 the erroneous payment of a tax or penalty under this Section.
11 In the administration of and compliance with this Section, the
12 Department and persons who are subject to this Section shall
13 (i) have the same rights, remedies, privileges, immunities,
14 powers, and duties, (ii) be subject to the same conditions,
15 restrictions, limitations, penalties, and definitions of
16 terms, and (iii) employ the same modes of procedure as are
17 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
18 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained
19 in those Sections other than the State rate of tax), 2-12, 2-15
20 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to
21 transaction returns and quarter monthly payments), 4, 5, 5a,
22 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
23 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
24 Tax Act and the Uniform Penalty and Interest Act as if those
25 provisions were set forth in this Section.

26 Persons subject to any tax imposed under the authority

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

7 Whenever the Department determines that a refund should be
8 made under this Section to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the order to be drawn for the
11 amount specified and to the person named in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the State Metro-East Park and Recreation
14 District Fund.

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

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

1 19 and 20 of the Service Occupation Tax Act and the Uniform
2 Penalty and Interest Act, as fully as if those provisions were
3 set forth herein.

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

12 Whenever the Department determines that a refund should be
13 made under this subsection to a claimant instead of issuing a
14 credit memorandum, the Department shall notify the State
15 Comptroller, who shall cause the warrant to be drawn for the
16 amount specified, and to the person named, in the notification
17 from the Department. The refund shall be paid by the State
18 Treasurer out of the State Metro-East Park and Recreation
19 District Fund.

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

24 (c) The Department shall immediately pay over to the State
25 Treasurer, ex officio, as trustee, all taxes and penalties
26 collected under this Section to be deposited into the State

1 Metro-East Park and Recreation District Fund, which shall be an
2 unappropriated trust fund held outside of the State treasury.

3 As soon as possible after the first day of each month,
4 beginning January 1, 2011, upon certification of the Department
5 of Revenue, the Comptroller shall order transferred, and the
6 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
7 local sales tax increment, as defined in the Innovation
8 Development and Economy Act, collected under this Section
9 during the second preceding calendar month for sales within a
10 STAR bond district. The Department shall make this
11 certification only if the Metro East Park and Recreation
12 District imposes a tax on real property as provided in the
13 definition of "local sales taxes" under the Innovation
14 Development and Economy Act.

15 After the monthly transfer to the STAR Bonds Revenue Fund,
16 on or before the 25th day of each calendar month, the
17 Department shall prepare and certify to the Comptroller the
18 disbursement of stated sums of money pursuant to Section 35 of
19 this Act to the District from which retailers have paid taxes
20 or penalties to the Department during the second preceding
21 calendar month. The amount to be paid to the District shall be
22 the amount (not including credit memoranda) collected under
23 this Section during the second preceding calendar month by the
24 Department plus an amount the Department determines is
25 necessary to offset any amounts that were erroneously paid to a
26 different taxing body, and not including (i) an amount equal to

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

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

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

25 (f) An ordinance imposing a tax under this Section or an
26 ordinance extending the imposition of a tax to an additional

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

9 (g) When certifying the amount of a monthly disbursement to
10 the District under this Section, the Department shall increase
11 or decrease the amounts by an amount necessary to offset any
12 misallocation of previous disbursements. The offset amount
13 shall be the amount erroneously disbursed within the previous 6
14 months from the time a misallocation is discovered.

15 (Source: P.A. 98-1098, eff. 8-26-14.)

16 Section 40. The Local Mass Transit District Act is amended
17 by changing Section 5.01 as follows:

18 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

19 Sec. 5.01. Metro East Mass Transit District; use and
20 occupation taxes.

21 (a) The Board of Trustees of any Metro East Mass Transit
22 District may, by ordinance adopted with the concurrence of
23 two-thirds of the then trustees, impose throughout the District
24 any or all of the taxes and fees provided in this Section. All

1 taxes and fees imposed under this Section shall be used only
2 for public mass transportation systems, and the amount used to
3 provide mass transit service to unserved areas of the District
4 shall be in the same proportion to the total proceeds as the
5 number of persons residing in the unserved areas is to the
6 total population of the District. Except as otherwise provided
7 in this Act, taxes imposed under this Section and civil
8 penalties imposed incident thereto shall be collected and
9 enforced by the State Department of Revenue. The Department
10 shall have the power to administer and enforce the taxes and to
11 determine all rights for refunds for erroneous payments of the
12 taxes.

13 (b) The Board may impose a Metro East Mass Transit District
14 Retailers' Occupation Tax upon all persons engaged in the
15 business of selling tangible personal property at retail in the
16 district at a rate of 1/4 of 1%, or as authorized under
17 subsection (d-5) of this Section, of the gross receipts from
18 the sales made in the course of such business within the
19 district. The tax imposed under this Section and all civil
20 penalties that may be assessed as an incident thereof shall be
21 collected and enforced by the State Department of Revenue. The
22 Department shall have full power to administer and enforce this
23 Section; to collect all taxes and penalties so collected in the
24 manner hereinafter provided; and to determine all rights to
25 credit memoranda arising on account of the erroneous payment of
26 tax or penalty hereunder. In the administration of, and

1 compliance with, this Section, the Department and persons who
2 are subject to this Section shall have the same rights,
3 remedies, privileges, immunities, powers and duties, and be
4 subject to the same conditions, restrictions, limitations,
5 penalties, exclusions, exemptions and definitions of terms and
6 employ the same modes of procedure, as are prescribed in
7 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
8 (in respect to all provisions therein other than the State rate
9 of tax), 2c, 3 (except as to the disposition of taxes and
10 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
11 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of
12 the Retailers' Occupation Tax Act and Section 3-7 of the
13 Uniform Penalty and Interest Act, as fully as if those
14 provisions were set forth herein.

15 Persons subject to any tax imposed under the Section may
16 reimburse themselves for their seller's tax liability
17 hereunder by separately stating the tax as an additional
18 charge, which charge may be stated in combination, in a single
19 amount, with State taxes that sellers are required to collect
20 under the Use Tax Act, in accordance with such bracket
21 schedules as the Department may prescribe.

22 Whenever the Department determines that a refund should be
23 made under this Section to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 If a tax is imposed under this subsection (b), a tax shall
5 also be imposed under subsections (c) and (d) of this Section.

6 For the purpose of determining whether a tax authorized
7 under this Section is applicable, a retail sale, by a producer
8 of coal or other mineral mined in Illinois, is a sale at retail
9 at the place where the coal or other mineral mined in Illinois
10 is extracted from the earth. This paragraph does not apply to
11 coal or other mineral when it is delivered or shipped by the
12 seller to the purchaser at a point outside Illinois so that the
13 sale is exempt under the Federal Constitution as a sale in
14 interstate or foreign commerce.

15 No tax shall be imposed or collected under this subsection
16 on the sale of a motor vehicle in this State to a resident of
17 another state if that motor vehicle will not be titled in this
18 State.

19 Nothing in this Section shall be construed to authorize the
20 Metro East Mass Transit District to impose a tax upon the
21 privilege of engaging in any business which under the
22 Constitution of the United States may not be made the subject
23 of taxation by this State.

24 (c) If a tax has been imposed under subsection (b), a Metro
25 East Mass Transit District Service Occupation Tax shall also be
26 imposed upon all persons engaged, in the district, in the

1 business of making sales of service, who, as an incident to
2 making those sales of service, transfer tangible personal
3 property within the District, either in the form of tangible
4 personal property or in the form of real estate as an incident
5 to a sale of service. The tax rate shall be 1/4%, or as
6 authorized under subsection (d-5) of this Section, of the
7 selling price of tangible personal property so transferred
8 within the district. The tax imposed under this paragraph and
9 all civil penalties that may be assessed as an incident thereof
10 shall be collected and enforced by the State Department of
11 Revenue. The Department shall have full power to administer and
12 enforce this paragraph; to collect all taxes and penalties due
13 hereunder; to dispose of taxes and penalties so collected in
14 the manner hereinafter provided; and to determine all rights to
15 credit memoranda arising on account of the erroneous payment of
16 tax or penalty hereunder. In the administration of, and
17 compliance with this paragraph, the Department and persons who
18 are subject to this paragraph shall have the same rights,
19 remedies, privileges, immunities, powers and duties, and be
20 subject to the same conditions, restrictions, limitations,
21 penalties, exclusions, exemptions and definitions of terms and
22 employ the same modes of procedure as are prescribed in
23 Sections 1a-1, 2 (except that the reference to State in the
24 definition of supplier maintaining a place of business in this
25 State shall mean the Authority), 2a, 3 through 3-50 (in respect
26 to all provisions therein other than the State rate of tax), 4

1 (except that the reference to the State shall be to the
2 Authority), 5, 7, 8 (except that the jurisdiction to which the
3 tax shall be a debt to the extent indicated in that Section 8
4 shall be the District), 9 (except as to the disposition of
5 taxes and penalties collected, and except that the returned
6 merchandise credit for this tax may not be taken against any
7 State tax), 10, 11, 12 (except the reference therein to Section
8 2b of the Retailers' Occupation Tax Act), 13 (except that any
9 reference to the State shall mean the District), the first
10 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service
11 Occupation Tax Act and Section 3-7 of the Uniform Penalty and
12 Interest Act, as fully as if those provisions were set forth
13 herein.

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

22 Whenever the Department determines that a refund should be
23 made under this paragraph to a claimant instead of issuing a
24 credit memorandum, the Department shall notify the State
25 Comptroller, who shall cause the warrant to be drawn for the
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section.

4 Nothing in this paragraph shall be construed to authorize
5 the District to impose a tax upon the privilege of engaging in
6 any business which under the Constitution of the United States
7 may not be made the subject of taxation by the State.

8 (d) If a tax has been imposed under subsection (b), a Metro
9 East Mass Transit District Use Tax shall also be imposed upon
10 the privilege of using, in the district, any item of tangible
11 personal property that is purchased outside the district at
12 retail from a retailer, and that is titled or registered with
13 an agency of this State's government, at a rate of 1/4%, or as
14 authorized under subsection (d-5) of this Section, of the
15 selling price of the tangible personal property within the
16 District, as "selling price" is defined in the Use Tax Act. The
17 tax shall be collected from persons whose Illinois address for
18 titling or registration purposes is given as being in the
19 District. The tax shall be collected by the Department of
20 Revenue for the Metro East Mass Transit District. The tax must
21 be paid to the State, or an exemption determination must be
22 obtained from the Department of Revenue, before the title or
23 certificate of registration for the property may be issued. The
24 tax or proof of exemption may be transmitted to the Department
25 by way of the State agency with which, or the State officer
26 with whom, the tangible personal property must be titled or

1 registered if the Department and the State agency or State
2 officer determine that this procedure will expedite the
3 processing of applications for title or registration.

4 The Department shall have full power to administer and
5 enforce this paragraph; to collect all taxes, penalties and
6 interest due hereunder; to dispose of taxes, penalties and
7 interest so collected in the manner hereinafter provided; and
8 to determine all rights to credit memoranda or refunds arising
9 on account of the erroneous payment of tax, penalty or interest
10 hereunder. In the administration of, and compliance with, this
11 paragraph, the Department and persons who are subject to this
12 paragraph shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties, exclusions,
15 exemptions and definitions of terms and employ the same modes
16 of procedure, as are prescribed in Sections 2 (except the
17 definition of "retailer maintaining a place of business in this
18 State"), 3 through 3-80 (except provisions pertaining to the
19 State rate of tax, and except provisions concerning collection
20 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
21 19 (except the portions pertaining to claims by retailers and
22 except the last paragraph concerning refunds), 20, 21 and 22 of
23 the Use Tax Act and Section 3-7 of the Uniform Penalty and
24 Interest Act, that are not inconsistent with this paragraph, as
25 fully as if those provisions were set forth herein.

26 Whenever the Department determines that a refund should be

1 made under this paragraph to a claimant instead of issuing a
2 credit memorandum, the Department shall notify the State
3 Comptroller, who shall cause the order to be drawn for the
4 amount specified, and to the person named, in the notification
5 from the Department. The refund shall be paid by the State
6 Treasurer out of the Metro East Mass Transit District tax fund
7 established under paragraph (h) of this Section.

8 (d-5) (A) The county board of any county participating in
9 the Metro East Mass Transit District may authorize, by
10 ordinance, a referendum on the question of whether the tax
11 rates for the Metro East Mass Transit District Retailers'
12 Occupation Tax, the Metro East Mass Transit District Service
13 Occupation Tax, and the Metro East Mass Transit District Use
14 Tax for the District should be increased from 0.25% to 0.75%.
15 Upon adopting the ordinance, the county board shall certify the
16 proposition to the proper election officials who shall submit
17 the proposition to the voters of the District at the next
18 election, in accordance with the general election law.

19 The proposition shall be in substantially the following
20 form:

21 Shall the tax rates for the Metro East Mass Transit
22 District Retailers' Occupation Tax, the Metro East Mass
23 Transit District Service Occupation Tax, and the Metro East
24 Mass Transit District Use Tax be increased from 0.25% to
25 0.75%?

26 (B) Two thousand five hundred electors of any Metro East

1 Mass Transit District may petition the Chief Judge of the
2 Circuit Court, or any judge of that Circuit designated by the
3 Chief Judge, in which that District is located to cause to be
4 submitted to a vote of the electors the question whether the
5 tax rates for the Metro East Mass Transit District Retailers'
6 Occupation Tax, the Metro East Mass Transit District Service
7 Occupation Tax, and the Metro East Mass Transit District Use
8 Tax for the District should be increased from 0.25% to 0.75%.

9 Upon submission of such petition the court shall set a date
10 not less than 10 nor more than 30 days thereafter for a hearing
11 on the sufficiency thereof. Notice of the filing of such
12 petition and of such date shall be given in writing to the
13 District and the County Clerk at least 7 days before the date
14 of such hearing.

15 If such petition is found sufficient, the court shall enter
16 an order to submit that proposition at the next election, in
17 accordance with general election law.

18 The form of the petition shall be in substantially the
19 following form: To the Circuit Court of the County of (name of
20 county):

21 We, the undersigned electors of the (name of transit
22 district), respectfully petition your honor to submit to a
23 vote of the electors of (name of transit district) the
24 following proposition:

25 Shall the tax rates for the Metro East Mass Transit
26 District Retailers' Occupation Tax, the Metro East Mass

1 Transit District Service Occupation Tax, and the Metro East
 2 Mass Transit District Use Tax be increased from 0.25% to
 3 0.75%?

4 Name Address, with Street and Number.
 5
 6

7 (C) The votes shall be recorded as "YES" or "NO". If a
 8 majority of all votes cast on the proposition are for the
 9 increase in the tax rates, the Metro East Mass Transit District
 10 shall begin imposing the increased rates in the District, and
 11 the Department of Revenue shall begin collecting the increased
 12 amounts, as provided under this Section. An ordinance imposing
 13 or discontinuing a tax hereunder or effecting a change in the
 14 rate thereof shall be adopted and a certified copy thereof
 15 filed with the Department 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, or on or before the first
 19 day of April, whereupon the Department shall proceed to
 20 administer and enforce this Section as of the first day of July
 21 next following the adoption and filing.

22 (D) If the voters have approved a referendum under this
 23 subsection, before November 1, 1994, to increase the tax rate
 24 under this subsection, the Metro East Mass Transit District
 25 Board of Trustees may adopt by a majority vote an ordinance at
 26 any time before January 1, 1995 that excludes from the rate

1 increase tangible personal property that is titled or
2 registered with an agency of this State's government. The
3 ordinance excluding titled or registered tangible personal
4 property from the rate increase must be filed with the
5 Department at least 15 days before its effective date. At any
6 time after adopting an ordinance excluding from the rate
7 increase tangible personal property that is titled or
8 registered with an agency of this State's government, the Metro
9 East Mass Transit District Board of Trustees may adopt an
10 ordinance applying the rate increase to that tangible personal
11 property. The ordinance shall be adopted, and a certified copy
12 of that ordinance shall be filed with the Department, on or
13 before October 1, whereupon the Department shall proceed to
14 administer and enforce the rate increase against tangible
15 personal property titled or registered with an agency of this
16 State's government as of the following January 1. After
17 December 31, 1995, any reimposed rate increase in effect under
18 this subsection shall no longer apply to tangible personal
19 property titled or registered with an agency of this State's
20 government. Beginning January 1, 1996, the Board of Trustees of
21 any Metro East Mass Transit District may never reimpose a
22 previously excluded tax rate increase on tangible personal
23 property titled or registered with an agency of this State's
24 government. After July 1, 2004, if the voters have approved a
25 referendum under this subsection to increase the tax rate under
26 this subsection, the Metro East Mass Transit District Board of

1 Trustees may adopt by a majority vote an ordinance that
2 excludes from the rate increase tangible personal property that
3 is titled or registered with an agency of this State's
4 government. The ordinance excluding titled or registered
5 tangible personal property from the rate increase shall be
6 adopted, and a certified copy of that ordinance shall be filed
7 with the Department on or before October 1, whereupon the
8 Department shall administer and enforce this exclusion from the
9 rate increase as of the following January 1, or on or before
10 April 1, whereupon the Department shall administer and enforce
11 this exclusion from the rate increase as of the following July
12 1. The Board of Trustees of any Metro East Mass Transit
13 District may never reimpose a previously excluded tax rate
14 increase on tangible personal property titled or registered
15 with an agency of this State's government.

16 (d-6) If the Board of Trustees of any Metro East Mass
17 Transit District has imposed a rate increase under subsection
18 (d-5) and filed an ordinance with the Department of Revenue
19 excluding titled property from the higher rate, then that Board
20 may, by ordinance adopted with the concurrence of two-thirds of
21 the then trustees, impose throughout the District a fee. The
22 fee on the excluded property shall not exceed \$20 per retail
23 transaction or an amount equal to the amount of tax excluded,
24 whichever is less, on tangible personal property that is titled
25 or registered with an agency of this State's government.
26 Beginning July 1, 2004, the fee shall apply only to titled

1 property that is subject to either the Metro East Mass Transit
2 District Retailers' Occupation Tax or the Metro East Mass
3 Transit District Service Occupation Tax. No fee shall be
4 imposed or collected under this subsection on the sale of a
5 motor vehicle in this State to a resident of another state if
6 that motor vehicle will not be titled in this State.

7 (d-7) Until June 30, 2004, if a fee has been imposed under
8 subsection (d-6), a fee shall also be imposed upon the
9 privilege of using, in the district, any item of tangible
10 personal property that is titled or registered with any agency
11 of this State's government, in an amount equal to the amount of
12 the fee imposed under subsection (d-6).

13 (d-7.1) Beginning July 1, 2004, any fee imposed by the
14 Board of Trustees of any Metro East Mass Transit District under
15 subsection (d-6) and all civil penalties that may be assessed
16 as an incident of the fees shall be collected and enforced by
17 the State Department of Revenue. Reference to "taxes" in this
18 Section shall be construed to apply to the administration,
19 payment, and remittance of all fees under this Section. For
20 purposes of any fee imposed under subsection (d-6), 4% of the
21 fee, penalty, and interest received by the Department in the
22 first 12 months that the fee is collected and enforced by the
23 Department and 2% of the fee, penalty, and interest following
24 the first 12 months shall be deposited into the Tax Compliance
25 and Administration Fund and shall be used by the Department,
26 subject to appropriation, to cover the costs of the Department.

1 No retailers' discount shall apply to any fee imposed under
2 subsection (d-6).

3 (d-8) No item of titled property shall be subject to both
4 the higher rate approved by referendum, as authorized under
5 subsection (d-5), and any fee imposed under subsection (d-6) or
6 (d-7).

7 (d-9) (Blank).

8 (d-10) (Blank).

9 (e) A certificate of registration issued by the State
10 Department of Revenue to a retailer under the Retailers'
11 Occupation Tax Act or under the Service Occupation Tax Act
12 shall permit the registrant to engage in a business that is
13 taxed under the tax imposed under paragraphs (b), (c) or (d) of
14 this Section and no additional registration shall be required
15 under the tax. A certificate issued under the Use Tax Act or
16 the Service Use Tax Act shall be applicable with regard to any
17 tax imposed under paragraph (c) of this Section.

18 (f) (Blank).

19 (g) Any ordinance imposing or discontinuing any tax under
20 this Section shall be adopted and a certified copy thereof
21 filed with the Department on or before June 1, whereupon the
22 Department of Revenue shall proceed to administer and enforce
23 this Section on behalf of the Metro East Mass Transit District
24 as of September 1 next following such adoption and filing.
25 Beginning January 1, 1992, an ordinance or resolution imposing
26 or discontinuing the tax hereunder shall be adopted and a

1 certified copy thereof filed with the Department on or before
2 the first day of July, whereupon the Department shall proceed
3 to administer and enforce this Section as of the first day of
4 October next following such adoption and filing. Beginning
5 January 1, 1993, except as provided in subsection (d-5) of this
6 Section, an ordinance or resolution imposing or discontinuing
7 the tax hereunder shall be adopted and a certified copy thereof
8 filed with the Department on or before the first day of
9 October, whereupon the Department shall proceed to administer
10 and enforce this Section as of the first day of January next
11 following such adoption and filing, or, beginning January 1,
12 2004, on or before the first day of April, whereupon the
13 Department shall proceed to administer and enforce this Section
14 as of the first day of July next following the adoption and
15 filing.

16 (h) Except as provided in subsection (d-7.1), the State
17 Department of Revenue shall, upon collecting any taxes as
18 provided in this Section, pay the taxes over to the State
19 Treasurer as trustee for the District. The taxes shall be held
20 in a trust fund outside the State Treasury.

21 As soon as possible after the first day of each month,
22 beginning January 1, 2011, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
25 local sales tax increment, as defined in the Innovation
26 Development and Economy Act, collected under this Section

1 during the second preceding calendar month for sales within a
2 STAR bond district. The Department shall make this
3 certification only if the local mass transit district imposes a
4 tax on real property as provided in the definition of "local
5 sales taxes" under the Innovation Development and Economy Act.

6 After the monthly transfer to the STAR Bonds Revenue Fund,
7 on or before the 25th day of each calendar month, the State
8 Department of Revenue shall prepare and certify to the
9 Comptroller of the State of Illinois the amount to be paid to
10 the District, which shall be the amount (not including credit
11 memoranda) collected under this Section during the second
12 preceding calendar month by the Department plus an amount the
13 Department determines is necessary to offset any amounts that
14 were erroneously paid to a different taxing body, and not
15 including any amount equal to the amount of refunds made during
16 the second preceding calendar month by the Department on behalf
17 of the District, and not including any amount that the
18 Department determines is necessary to offset any amounts that
19 were payable to a different taxing body but were erroneously
20 paid to the District, and less any amounts that are transferred
21 to the STAR Bonds Revenue Fund. Within 10 days after receipt by
22 the Comptroller of the certification of the amount to be paid
23 to the District, the Comptroller shall cause an order to be
24 drawn for payment for the amount in accordance with the
25 direction in the certification.

26 (Source: P.A. 98-298, eff. 8-9-13.)

1 Section 45. The Regional Transportation Authority Act is
2 amended by changing Section 4.03 as follows:

3 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

4 Sec. 4.03. Taxes.

5 (a) In order to carry out any of the powers or purposes of
6 the Authority, the Board may by ordinance adopted with the
7 concurrence of 12 of the then Directors, impose throughout the
8 metropolitan region any or all of the taxes provided in this
9 Section. Except as otherwise provided in this Act, taxes
10 imposed under this Section and civil penalties imposed incident
11 thereto shall be collected and enforced by the State Department
12 of Revenue. The Department shall have the power to administer
13 and enforce the taxes and to determine all rights for refunds
14 for erroneous payments of the taxes. Nothing in this amendatory
15 Act of the 95th General Assembly is intended to invalidate any
16 taxes currently imposed by the Authority. The increased vote
17 requirements to impose a tax shall only apply to actions taken
18 after the effective date of this amendatory Act of the 95th
19 General Assembly.

20 (b) The Board may impose a public transportation tax upon
21 all persons engaged in the metropolitan region in the business
22 of selling at retail motor fuel for operation of motor vehicles
23 upon public highways. The tax shall be at a rate not to exceed
24 5% of the gross receipts from the sales of motor fuel in the

1 course of the business. As used in this Act, the term "motor
2 fuel" shall have the same meaning as in the Motor Fuel Tax Law.
3 The Board may provide for details of the tax. The provisions of
4 any tax shall conform, as closely as may be practicable, to the
5 provisions of the Municipal Retailers Occupation Tax Act,
6 including without limitation, conformity to penalties with
7 respect to the tax imposed and as to the powers of the State
8 Department of Revenue to promulgate and enforce rules and
9 regulations relating to the administration and enforcement of
10 the provisions of the tax imposed, except that reference in the
11 Act to any municipality shall refer to the Authority and the
12 tax shall be imposed only with regard to receipts from sales of
13 motor fuel in the metropolitan region, at rates as limited by
14 this Section.

15 (c) In connection with the tax imposed under paragraph (b)
16 of this Section the Board may impose a tax upon the privilege
17 of using in the metropolitan region motor fuel for the
18 operation of a motor vehicle upon public highways, the tax to
19 be at a rate not in excess of the rate of tax imposed under
20 paragraph (b) of this Section. The Board may provide for
21 details of the tax.

22 (d) The Board may impose a motor vehicle parking tax upon
23 the privilege of parking motor vehicles at off-street parking
24 facilities in the metropolitan region at which a fee is
25 charged, and may provide for reasonable classifications in and
26 exemptions to the tax, for administration and enforcement

1 thereof and for civil penalties and refunds thereunder and may
2 provide criminal penalties thereunder, the maximum penalties
3 not to exceed the maximum criminal penalties provided in the
4 Retailers' Occupation Tax Act. The Authority may collect and
5 enforce the tax itself or by contract with any unit of local
6 government. The State Department of Revenue shall have no
7 responsibility for the collection and enforcement unless the
8 Department agrees with the Authority to undertake the
9 collection and enforcement. As used in this paragraph, the term
10 "parking facility" means a parking area or structure having
11 parking spaces for more than 2 vehicles at which motor vehicles
12 are permitted to park in return for an hourly, daily, or other
13 periodic fee, whether publicly or privately owned, but does not
14 include parking spaces on a public street, the use of which is
15 regulated by parking meters.

16 (e) The Board may impose a Regional Transportation
17 Authority Retailers' Occupation Tax upon all persons engaged in
18 the business of selling tangible personal property at retail in
19 the metropolitan region. In Cook County the tax rate shall be
20 1.25% of the gross receipts from sales of food for human
21 consumption that is to be consumed off the premises where it is
22 sold (other than alcoholic beverages, soft drinks and food that
23 has been prepared for immediate consumption) and prescription
24 and nonprescription medicines, drugs, medical appliances and
25 insulin, urine testing materials, syringes and needles used by
26 diabetics, and 1% of the gross receipts from other taxable

1 sales made in the course of that business. In DuPage, Kane,
2 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%
3 of the gross receipts from all taxable sales made in the course
4 of that business. The tax imposed under this Section and all
5 civil penalties that may be assessed as an incident thereof
6 shall be collected and enforced by the State Department of
7 Revenue. The Department shall have full power to administer and
8 enforce this Section; to collect all taxes and penalties so
9 collected in the manner hereinafter provided; and to determine
10 all rights to credit memoranda arising on account of the
11 erroneous payment of tax or penalty hereunder. In the
12 administration of, and compliance with this Section, the
13 Department and persons who are subject to this Section shall
14 have the same rights, remedies, privileges, immunities, powers
15 and duties, and be subject to the same conditions,
16 restrictions, limitations, penalties, exclusions, exemptions
17 and definitions of terms, and employ the same modes of
18 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
19 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
20 therein other than the State rate of tax), 2c, 3 (except as to
21 the disposition of taxes and penalties collected), 4, 5, 5a,
22 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,
23 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act
24 and Section 3-7 of the Uniform Penalty and Interest Act, as
25 fully as if those provisions were set forth herein.

26 Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their
2 seller's tax liability hereunder by separately stating the tax
3 as an additional charge, which charge may be stated in
4 combination in a single amount with State taxes that sellers
5 are required to collect under the Use Tax Act, under any
6 bracket schedules the Department may prescribe.

7 Whenever the Department determines that a refund should be
8 made under this Section to a claimant instead of issuing a
9 credit memorandum, the Department shall notify the State
10 Comptroller, who shall cause the warrant to be drawn for the
11 amount specified, and to the person named, in the notification
12 from the Department. The refund shall be paid by the State
13 Treasurer out of the Regional Transportation Authority tax fund
14 established under paragraph (n) of this Section.

15 If a tax is imposed under this subsection (e), a tax shall
16 also be imposed under subsections (f) and (g) of this Section.

17 For the purpose of determining whether a tax authorized
18 under this Section is applicable, a retail sale by a producer
19 of coal or other mineral mined in Illinois, is a sale at retail
20 at the place where the coal or other mineral mined in Illinois
21 is extracted from the earth. This paragraph does not apply to
22 coal or other mineral when it is delivered or shipped by the
23 seller to the purchaser at a point outside Illinois so that the
24 sale is exempt under the Federal Constitution as a sale in
25 interstate or foreign commerce.

26 No tax shall be imposed or collected under this subsection

1 on the sale of a motor vehicle in this State to a resident of
2 another state if that motor vehicle will not be titled in this
3 State.

4 Nothing in this Section shall be construed to authorize the
5 Regional Transportation Authority to impose a tax upon the
6 privilege of engaging in any business that under the
7 Constitution of the United States may not be made the subject
8 of taxation by this State.

9 (f) If a tax has been imposed under paragraph (e), a
10 Regional Transportation Authority Service Occupation Tax shall
11 also be imposed upon all persons engaged, in the metropolitan
12 region in the business of making sales of service, who as an
13 incident to making the sales of service, transfer tangible
14 personal property within the metropolitan region, either in the
15 form of tangible personal property or in the form of real
16 estate as an incident to a sale of service. In Cook County, the
17 tax rate shall be: (1) 1.25% of the serviceman's cost price of
18 food prepared for immediate consumption and transferred
19 incident to a sale of service subject to the service occupation
20 tax by an entity licensed under the Hospital Licensing Act, the
21 Nursing Home Care Act, the Specialized Mental Health
22 Rehabilitation Act of 2013, or the ID/DD Community Care Act
23 that is located in the metropolitan region; (2) 1.25% of the
24 selling price of food for human consumption that is to be
25 consumed off the premises where it is sold (other than
26 alcoholic beverages, soft drinks and food that has been

1 prepared for immediate consumption) and prescription and
2 nonprescription medicines, drugs, medical appliances and
3 insulin, urine testing materials, syringes and needles used by
4 diabetics; and (3) 1% of the selling price from other taxable
5 sales of tangible personal property transferred. In DuPage,
6 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%
7 of the selling price of all tangible personal property
8 transferred.

9 The tax imposed under this paragraph and all civil
10 penalties that may be assessed as an incident thereof shall be
11 collected and enforced by the State Department of Revenue. The
12 Department shall have full power to administer and enforce this
13 paragraph; to collect all taxes and penalties due hereunder; to
14 dispose of taxes and penalties collected in the manner
15 hereinafter provided; and to determine all rights to credit
16 memoranda arising on account of the erroneous payment of tax or
17 penalty hereunder. In the administration of and compliance with
18 this paragraph, the Department and persons who are subject to
19 this paragraph shall have the same rights, remedies,
20 privileges, immunities, powers and duties, and be subject to
21 the same conditions, restrictions, limitations, penalties,
22 exclusions, exemptions and definitions of terms, and employ the
23 same modes of procedure, as are prescribed in Sections 1a-1, 2,
24 2a, 3 through 3-50 (in respect to all provisions therein other
25 than the State rate of tax), 4 (except that the reference to
26 the State shall be to the Authority), 5, 7, 8 (except that the

1 jurisdiction to which the tax shall be a debt to the extent
2 indicated in that Section 8 shall be the Authority), 9 (except
3 as to the disposition of taxes and penalties collected, and
4 except that the returned merchandise credit for this tax may
5 not be taken against any State tax), 10, 11, 12 (except the
6 reference therein to Section 2b of the Retailers' Occupation
7 Tax Act), 13 (except that any reference to the State shall mean
8 the Authority), the first paragraph of Section 15, 16, 17, 18,
9 19 and 20 of the Service Occupation Tax Act and Section 3-7 of
10 the Uniform Penalty and Interest Act, as fully as if those
11 provisions were set forth herein.

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

19 Whenever the Department determines that a refund should be
20 made under this paragraph to a claimant instead of issuing a
21 credit memorandum, the Department shall notify the State
22 Comptroller, who shall cause the warrant to be drawn for the
23 amount specified, and to the person named in the notification
24 from the Department. The refund shall be paid by the State
25 Treasurer out of the Regional Transportation Authority tax fund
26 established under paragraph (n) of this Section.

1 Nothing in this paragraph shall be construed to authorize
2 the Authority to impose a tax upon the privilege of engaging in
3 any business that under the Constitution of the United States
4 may not be made the subject of taxation by the State.

5 (g) If a tax has been imposed under paragraph (e), a tax
6 shall also be imposed upon the privilege of using in the
7 metropolitan region, any item of tangible personal property
8 that is purchased outside the metropolitan region at retail
9 from a retailer, and that is titled or registered with an
10 agency of this State's government. In Cook County the tax rate
11 shall be 1% of the selling price of the tangible personal
12 property, as "selling price" is defined in the Use Tax Act. In
13 DuPage, Kane, Lake, McHenry and Will counties the tax rate
14 shall be 0.75% of the selling price of the tangible personal
15 property, as "selling price" is defined in the Use Tax Act. The
16 tax shall be collected from persons whose Illinois address for
17 titling or registration purposes is given as being in the
18 metropolitan region. The tax shall be collected by the
19 Department of Revenue for the Regional Transportation
20 Authority. The tax must be paid to the State, or an exemption
21 determination must be obtained from the Department of Revenue,
22 before the title or certificate of registration for the
23 property may be issued. The tax or proof of exemption may be
24 transmitted to the Department by way of the State agency with
25 which, or the State officer with whom, the tangible personal
26 property must be titled or registered if the Department and the

1 State agency or State officer determine that this procedure
2 will expedite the processing of applications for title or
3 registration.

4 The Department shall have full power to administer and
5 enforce this paragraph; to collect all taxes, penalties and
6 interest due hereunder; to dispose of taxes, penalties and
7 interest collected in the manner hereinafter provided; and to
8 determine all rights to credit memoranda or refunds arising on
9 account of the erroneous payment of tax, penalty or interest
10 hereunder. In the administration of and compliance with this
11 paragraph, the Department and persons who are subject to this
12 paragraph shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties, exclusions,
15 exemptions and definitions of terms and employ the same modes
16 of procedure, as are prescribed in Sections 2 (except the
17 definition of "retailer maintaining a place of business in this
18 State"), 3 through 3-80 (except provisions pertaining to the
19 State rate of tax, and except provisions concerning collection
20 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,
21 19 (except the portions pertaining to claims by retailers and
22 except the last paragraph concerning refunds), 20, 21 and 22 of
23 the Use Tax Act, and are not inconsistent with this paragraph,
24 as fully as if those provisions were set forth herein.

25 Whenever the Department determines that a refund should be
26 made under this paragraph to a claimant instead of issuing a

1 credit memorandum, the Department shall notify the State
2 Comptroller, who shall cause the order to be drawn for the
3 amount specified, and to the person named in the notification
4 from the Department. The refund shall be paid by the State
5 Treasurer out of the Regional Transportation Authority tax fund
6 established under paragraph (n) of this Section.

7 (h) The Authority may impose a replacement vehicle tax of
8 \$50 on any passenger car as defined in Section 1-157 of the
9 Illinois Vehicle Code purchased within the metropolitan region
10 by or on behalf of an insurance company to replace a passenger
11 car of an insured person in settlement of a total loss claim.
12 The tax imposed may not become effective before the first day
13 of the month following the passage of the ordinance imposing
14 the tax and receipt of a certified copy of the ordinance by the
15 Department of Revenue. The Department of Revenue shall collect
16 the tax for the Authority in accordance with Sections 3-2002
17 and 3-2003 of the Illinois Vehicle Code.

18 The Department shall immediately pay over to the State
19 Treasurer, ex officio, as trustee, all taxes collected
20 hereunder.

21 As soon as possible after the first day of each month,
22 beginning January 1, 2011, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
25 local sales tax increment, as defined in the Innovation
26 Development and Economy Act, collected under this Section

1 during the second preceding calendar month for sales within a
2 STAR bond district.

3 After the monthly transfer to the STAR Bonds Revenue Fund,
4 on or before the 25th day of each calendar month, the
5 Department shall prepare and certify to the Comptroller the
6 disbursement of stated sums of money to the Authority. The
7 amount to be paid to the Authority shall be the amount
8 collected hereunder during the second preceding calendar month
9 by the Department, less any amount determined by the Department
10 to be necessary for the payment of refunds, and less any
11 amounts that are transferred to the STAR Bonds Revenue Fund.
12 Within 10 days after receipt by the Comptroller of the
13 disbursement certification to the Authority provided for in
14 this Section to be given to the Comptroller by the Department,
15 the Comptroller shall cause the orders to be drawn for that
16 amount in accordance with the directions contained in the
17 certification.

18 (i) The Board may not impose any other taxes except as it
19 may from time to time be authorized by law to impose.

20 (j) A certificate of registration issued by the State
21 Department of Revenue to a retailer under the Retailers'
22 Occupation Tax Act or under the Service Occupation Tax Act
23 shall permit the registrant to engage in a business that is
24 taxed under the tax imposed under paragraphs (b), (e), (f) or
25 (g) of this Section and no additional registration shall be
26 required under the tax. A certificate issued under the Use Tax

1 Act or the Service Use Tax Act shall be applicable with regard
2 to any tax imposed under paragraph (c) of this Section.

3 (k) The provisions of any tax imposed under paragraph (c)
4 of this Section shall conform as closely as may be practicable
5 to the provisions of the Use Tax Act, including without
6 limitation conformity as to penalties with respect to the tax
7 imposed and as to the powers of the State Department of Revenue
8 to promulgate and enforce rules and regulations relating to the
9 administration and enforcement of the provisions of the tax
10 imposed. The taxes shall be imposed only on use within the
11 metropolitan region and at rates as provided in the paragraph.

12 (l) The Board in imposing any tax as provided in paragraphs
13 (b) and (c) of this Section, shall, after seeking the advice of
14 the State Department of Revenue, provide means for retailers,
15 users or purchasers of motor fuel for purposes other than those
16 with regard to which the taxes may be imposed as provided in
17 those paragraphs to receive refunds of taxes improperly paid,
18 which provisions may be at variance with the refund provisions
19 as applicable under the Municipal Retailers Occupation Tax Act.
20 The State Department of Revenue may provide for certificates of
21 registration for users or purchasers of motor fuel for purposes
22 other than those with regard to which taxes may be imposed as
23 provided in paragraphs (b) and (c) of this Section to
24 facilitate the reporting and nontaxability of the exempt sales
25 or uses.

26 (m) Any ordinance imposing or discontinuing any tax under

1 this Section shall be adopted and a certified copy thereof
2 filed with the Department on or before June 1, whereupon the
3 Department of Revenue shall proceed to administer and enforce
4 this Section on behalf of the Regional Transportation Authority
5 as of September 1 next following such adoption and filing.
6 Beginning January 1, 1992, an ordinance or resolution imposing
7 or discontinuing the tax hereunder shall be adopted and a
8 certified copy thereof filed with the Department on or before
9 the first day of July, whereupon the Department shall proceed
10 to administer and enforce this Section as of the first day of
11 October next following such adoption and filing. Beginning
12 January 1, 1993, an ordinance or resolution imposing,
13 increasing, decreasing, or discontinuing the tax hereunder
14 shall be adopted and a certified copy thereof filed with the
15 Department, whereupon the Department shall proceed to
16 administer and enforce this Section as of the first day of the
17 first month to occur not less than 60 days following such
18 adoption and filing. Any ordinance or resolution of the
19 Authority imposing a tax under this Section and in effect on
20 August 1, 2007 shall remain in full force and effect and shall
21 be administered by the Department of Revenue under the terms
22 and conditions and rates of tax established by such ordinance
23 or resolution until the Department begins administering and
24 enforcing an increased tax under this Section as authorized by
25 this amendatory Act of the 95th General Assembly. The tax rates
26 authorized by this amendatory Act of the 95th General Assembly

1 are effective only if imposed by ordinance of the Authority.

2 (n) The State Department of Revenue shall, upon collecting
3 any taxes as provided in this Section, pay the taxes over to
4 the State Treasurer as trustee for the Authority. The taxes
5 shall be held in a trust fund outside the State Treasury. On or
6 before the 25th day of each calendar month, the State
7 Department of Revenue shall prepare and certify to the
8 Comptroller of the State of Illinois and to the Authority (i)
9 the amount of taxes collected in each County other than Cook
10 County in the metropolitan region, (ii) the amount of taxes
11 collected within the City of Chicago, and (iii) the amount
12 collected in that portion of Cook County outside of Chicago,
13 each amount less the amount necessary for the payment of
14 refunds to taxpayers located in those areas described in items
15 (i), (ii), and (iii). Within 10 days after receipt by the
16 Comptroller of the certification of the amounts, the
17 Comptroller shall cause an order to be drawn for the payment of
18 two-thirds of the amounts certified in item (i) of this
19 subsection to the Authority and one-third of the amounts
20 certified in item (i) of this subsection to the respective
21 counties other than Cook County and the amount certified in
22 items (ii) and (iii) of this subsection to the Authority.

23 In addition to the disbursement required by the preceding
24 paragraph, an allocation shall be made in July 1991 and each
25 year thereafter to the Regional Transportation Authority. The
26 allocation shall be made in an amount equal to the average

1 monthly distribution during the preceding calendar year
2 (excluding the 2 months of lowest receipts) and the allocation
3 shall include the amount of average monthly distribution from
4 the Regional Transportation Authority Occupation and Use Tax
5 Replacement Fund. The distribution made in July 1992 and each
6 year thereafter under this paragraph and the preceding
7 paragraph shall be reduced by the amount allocated and
8 disbursed under this paragraph in the preceding calendar year.
9 The Department of Revenue shall prepare and certify to the
10 Comptroller for disbursement the allocations made in
11 accordance with this paragraph.

12 (o) Failure to adopt a budget ordinance or otherwise to
13 comply with Section 4.01 of this Act or to adopt a Five-year
14 Capital Program or otherwise to comply with paragraph (b) of
15 Section 2.01 of this Act shall not affect the validity of any
16 tax imposed by the Authority otherwise in conformity with law.

17 (p) At no time shall a public transportation tax or motor
18 vehicle parking tax authorized under paragraphs (b), (c) and
19 (d) of this Section be in effect at the same time as any
20 retailers' occupation, use or service occupation tax
21 authorized under paragraphs (e), (f) and (g) of this Section is
22 in effect.

23 Any taxes imposed under the authority provided in
24 paragraphs (b), (c) and (d) shall remain in effect only until
25 the time as any tax authorized by paragraphs (e), (f) or (g) of
26 this Section are imposed and becomes effective. Once any tax

1 authorized by paragraphs (e), (f) or (g) is imposed the Board
2 may not reimpose taxes as authorized in paragraphs (b), (c) and
3 (d) of the Section unless any tax authorized by paragraphs (e),
4 (f) or (g) of this Section becomes ineffective by means other
5 than an ordinance of the Board.

6 (q) Any existing rights, remedies and obligations
7 (including enforcement by the Regional Transportation
8 Authority) arising under any tax imposed under paragraphs (b),
9 (c) or (d) of this Section shall not be affected by the
10 imposition of a tax under paragraphs (e), (f) or (g) of this
11 Section.

12 (Source: P.A. 97-38, eff. 6-28-11; 97-227, eff. 1-1-12; 97-813,
13 eff. 7-13-12; 98-104, eff. 7-22-13.)

14 Section 50. The Water Commission Act of 1985 is amended by
15 changing Section 4 as follows:

16 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

17 Sec. 4. Taxes.

18 (a) The board of commissioners of any county water
19 commission may, by ordinance, impose throughout the territory
20 of the commission any or all of the taxes provided in this
21 Section for its corporate purposes. However, no county water
22 commission may impose any such tax unless the commission
23 certifies the proposition of imposing the tax to the proper
24 election officials, who shall submit the proposition to the

1 voters residing in the territory at an election in accordance
 2 with the general election law, and the proposition has been
 3 approved by a majority of those voting on the proposition.

4 The proposition shall be in the form provided in Section 5
 5 or shall be substantially in the following form:

6 -----

7	Shall the (insert corporate	
8	name of county water commission)	YES
9	impose (state type of tax or	-----
10	taxes to be imposed) at the	NO
11	rate of 1/4%?	

12 -----

13 Taxes imposed under this Section and civil penalties
 14 imposed incident thereto shall be collected and enforced by the
 15 State Department of Revenue. The Department shall have the
 16 power to administer and enforce the taxes and to determine all
 17 rights for refunds for erroneous payments of the taxes.

18 (b) The board of commissioners may impose a County Water
 19 Commission Retailers' Occupation Tax upon all persons engaged
 20 in the business of selling tangible personal property at retail
 21 in the territory of the commission at a rate of 1/4% of the
 22 gross receipts from the sales made in the course of such
 23 business within the territory. The tax imposed under this
 24 paragraph and all civil penalties that may be assessed as an
 25 incident thereof shall be collected and enforced by the State
 26 Department of Revenue. The Department shall have full power to

1 administer and enforce this paragraph; to collect all taxes and
2 penalties due hereunder; to dispose of taxes and penalties so
3 collected in the manner hereinafter provided; and to determine
4 all rights to credit memoranda arising on account of the
5 erroneous payment of tax or penalty hereunder. In the
6 administration of, and compliance with, this paragraph, the
7 Department and persons who are subject to this paragraph shall
8 have the same rights, remedies, privileges, immunities, powers
9 and duties, and be subject to the same conditions,
10 restrictions, limitations, penalties, exclusions, exemptions
11 and definitions of terms, and employ the same modes of
12 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,
13 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
14 therein other than the State rate of tax except that food for
15 human consumption that is to be consumed off the premises where
16 it is sold (other than alcoholic beverages, soft drinks, and
17 food that has been prepared for immediate consumption) and
18 prescription and nonprescription medicine, drugs, medical
19 appliances and insulin, urine testing materials, syringes, and
20 needles used by diabetics, for human use, shall not be subject
21 to tax hereunder), 2c, 3 (except as to the disposition of taxes
22 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,
23 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of
24 the Retailers' Occupation Tax Act and Section 3-7 of the
25 Uniform Penalty and Interest Act, as fully as if those
26 provisions were set forth herein.

1 Persons subject to any tax imposed under the authority
2 granted in this paragraph may reimburse themselves for their
3 seller's tax liability hereunder by separately stating the tax
4 as an additional charge, which charge may be stated in
5 combination, in a single amount, with State taxes that sellers
6 are required to collect under the Use Tax Act and under
7 subsection (e) of Section 4.03 of the Regional Transportation
8 Authority Act, in accordance with such bracket schedules as the
9 Department may prescribe.

10 Whenever the Department determines that a refund should be
11 made under this paragraph to a claimant instead of issuing a
12 credit memorandum, the Department shall notify the State
13 Comptroller, who shall cause the warrant to be drawn for the
14 amount specified, and to the person named, in the notification
15 from the Department. The refund shall be paid by the State
16 Treasurer out of a county water commission tax fund established
17 under paragraph (g) of this Section.

18 For the purpose of determining whether a tax authorized
19 under this paragraph is applicable, a retail sale by a producer
20 of coal or other mineral mined in Illinois is a sale at retail
21 at the place where the coal or other mineral mined in Illinois
22 is extracted from the earth. This paragraph does not apply to
23 coal or other mineral when it is delivered or shipped by the
24 seller to the purchaser at a point outside Illinois so that the
25 sale is exempt under the Federal Constitution as a sale in
26 interstate or foreign commerce.

1 If a tax is imposed under this subsection (b) a tax shall
2 also be imposed under subsections (c) and (d) of this Section.

3 No tax shall be imposed or collected under this subsection
4 on the sale of a motor vehicle in this State to a resident of
5 another state if that motor vehicle will not be titled in this
6 State.

7 Nothing in this paragraph shall be construed to authorize a
8 county water commission to impose a tax upon the privilege of
9 engaging in any business which under the Constitution of the
10 United States may not be made the subject of taxation by this
11 State.

12 (c) If a tax has been imposed under subsection (b), a
13 County Water Commission Service Occupation Tax shall also be
14 imposed upon all persons engaged, in the territory of the
15 commission, in the business of making sales of service, who, as
16 an incident to making the sales of service, transfer tangible
17 personal property within the territory. The tax rate shall be
18 1/4% of the selling price of tangible personal property so
19 transferred within the territory. The tax imposed under this
20 paragraph and all civil penalties that may be assessed as an
21 incident thereof shall be collected and enforced by the State
22 Department of Revenue. The Department shall have full power to
23 administer and enforce this paragraph; to collect all taxes and
24 penalties due hereunder; to dispose of taxes and penalties so
25 collected in the manner hereinafter provided; and to determine
26 all rights to credit memoranda arising on account of the

1 erroneous payment of tax or penalty hereunder. In the
2 administration of, and compliance with, this paragraph, the
3 Department and persons who are subject to this paragraph shall
4 have the same rights, remedies, privileges, immunities, powers
5 and duties, and be subject to the same conditions,
6 restrictions, limitations, penalties, exclusions, exemptions
7 and definitions of terms, and employ the same modes of
8 procedure, as are prescribed in Sections 1a-1, 2 (except that
9 the reference to State in the definition of supplier
10 maintaining a place of business in this State shall mean the
11 territory of the commission), 2a, 3 through 3-50 (in respect to
12 all provisions therein other than the State rate of tax except
13 that food for human consumption that is to be consumed off the
14 premises where it is sold (other than alcoholic beverages, soft
15 drinks, and food that has been prepared for immediate
16 consumption) and prescription and nonprescription medicines,
17 drugs, medical appliances and insulin, urine testing
18 materials, syringes, and needles used by diabetics, for human
19 use, shall not be subject to tax hereunder), 4 (except that the
20 reference to the State shall be to the territory of the
21 commission), 5, 7, 8 (except that the jurisdiction to which the
22 tax shall be a debt to the extent indicated in that Section 8
23 shall be the commission), 9 (except as to the disposition of
24 taxes and penalties collected and except that the returned
25 merchandise credit for this tax may not be taken against any
26 State tax), 10, 11, 12 (except the reference therein to Section

1 2b of the Retailers' Occupation Tax Act), 13 (except that any
2 reference to the State shall mean the territory of the
3 commission), the first paragraph of Section 15, 15.5, 16, 17,
4 18, 19 and 20 of the Service Occupation Tax Act as fully as if
5 those provisions were set forth herein.

6 Persons subject to any tax imposed under the authority
7 granted in this paragraph may reimburse themselves for their
8 serviceman's tax liability hereunder by separately stating the
9 tax as an additional charge, which charge may be stated in
10 combination, in a single amount, with State tax that servicemen
11 are authorized to collect under the Service Use Tax Act, and
12 any tax for which servicemen may be liable under subsection (f)
13 of Sec. 4.03 of the Regional Transportation Authority Act, in
14 accordance with such bracket schedules as the Department may
15 prescribe.

16 Whenever the Department determines that a refund should be
17 made under this paragraph to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of a county water commission tax fund established
23 under paragraph (g) of this Section.

24 Nothing in this paragraph shall be construed to authorize a
25 county water commission to impose a tax upon the privilege of
26 engaging in any business which under the Constitution of the

1 United States may not be made the subject of taxation by the
2 State.

3 (d) If a tax has been imposed under subsection (b), a tax
4 shall also imposed upon the privilege of using, in the
5 territory of the commission, any item of tangible personal
6 property that is purchased outside the territory at retail from
7 a retailer, and that is titled or registered with an agency of
8 this State's government, at a rate of 1/4% of the selling price
9 of the tangible personal property within the territory, as
10 "selling price" is defined in the Use Tax Act. The tax shall be
11 collected from persons whose Illinois address for titling or
12 registration purposes is given as being in the territory. The
13 tax shall be collected by the Department of Revenue for a
14 county water commission. The tax must be paid to the State, or
15 an exemption determination must be obtained from the Department
16 of Revenue, before the title or certificate of registration for
17 the property may be issued. The tax or proof of exemption may
18 be transmitted to the Department by way of the State agency
19 with which, or the State officer with whom, the tangible
20 personal property must be titled or registered if the
21 Department and the State agency or State officer determine that
22 this procedure will expedite the processing of applications for
23 title or registration.

24 The Department shall have full power to administer and
25 enforce this paragraph; to collect all taxes, penalties and
26 interest due hereunder; to dispose of taxes, penalties and

1 interest so collected in the manner hereinafter provided; and
2 to determine all rights to credit memoranda or refunds arising
3 on account of the erroneous payment of tax, penalty or interest
4 hereunder. In the administration of, and compliance with this
5 paragraph, the Department and persons who are subject to this
6 paragraph shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties, exclusions,
9 exemptions and definitions of terms and employ the same modes
10 of procedure, as are prescribed in Sections 2 (except the
11 definition of "retailer maintaining a place of business in this
12 State"), 3 through 3-80 (except provisions pertaining to the
13 State rate of tax, and except provisions concerning collection
14 or refunding of the tax by retailers, and except that food for
15 human consumption that is to be consumed off the premises where
16 it is sold (other than alcoholic beverages, soft drinks, and
17 food that has been prepared for immediate consumption) and
18 prescription and nonprescription medicines, drugs, medical
19 appliances and insulin, urine testing materials, syringes, and
20 needles used by diabetics, for human use, shall not be subject
21 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the
22 portions pertaining to claims by retailers and except the last
23 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act
24 and Section 3-7 of the Uniform Penalty and Interest Act that
25 are not inconsistent with this paragraph, as fully as if those
26 provisions were set forth herein.

1 Whenever the Department determines that a refund should be
2 made under this paragraph to a claimant instead of issuing a
3 credit memorandum, the Department shall notify the State
4 Comptroller, who shall cause the order to be drawn for the
5 amount specified, and to the person named, in the notification
6 from the Department. The refund shall be paid by the State
7 Treasurer out of a county water commission tax fund established
8 under paragraph (g) of this Section.

9 (e) A certificate of registration issued by the State
10 Department of Revenue to a retailer under the Retailers'
11 Occupation Tax Act or under the Service Occupation Tax Act
12 shall permit the registrant to engage in a business that is
13 taxed under the tax imposed under paragraphs (b), (c) or (d) of
14 this Section and no additional registration shall be required
15 under the tax. A certificate issued under the Use Tax Act or
16 the Service Use Tax Act shall be applicable with regard to any
17 tax imposed under paragraph (c) of this Section.

18 (f) Any ordinance imposing or discontinuing any tax under
19 this Section shall be adopted and a certified copy thereof
20 filed with the Department on or before June 1, whereupon the
21 Department of Revenue shall proceed to administer and enforce
22 this Section on behalf of the county water commission as of
23 September 1 next following the adoption and filing. Beginning
24 January 1, 1992, an ordinance or resolution imposing or
25 discontinuing the tax hereunder shall be adopted and a
26 certified copy thereof filed with the Department on or before

1 the first day of July, whereupon the Department shall proceed
2 to administer and enforce this Section as of the first day of
3 October next following such adoption and filing. Beginning
4 January 1, 1993, an ordinance or resolution imposing or
5 discontinuing the tax hereunder shall be adopted and a
6 certified copy thereof filed with the Department on or before
7 the first day of October, whereupon the Department shall
8 proceed to administer and enforce this Section as of the first
9 day of January next following such adoption and filing.

10 (g) The State Department of Revenue shall, upon collecting
11 any taxes as provided in this Section, pay the taxes over to
12 the State Treasurer as trustee for the commission. The taxes
13 shall be held in a trust fund outside the State Treasury.

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

22 After the monthly transfer to the STAR Bonds Revenue Fund,
23 on or before the 25th day of each calendar month, the State
24 Department of Revenue shall prepare and certify to the
25 Comptroller of the State of Illinois the amount to be paid to
26 the commission, which shall be the amount (not including credit

1 memoranda) collected under this Section during the second
2 preceding calendar month by the Department plus an amount the
3 Department determines is necessary to offset any amounts that
4 were erroneously paid to a different taxing body, and not
5 including any amount equal to the amount of refunds made during
6 the second preceding calendar month by the Department on behalf
7 of the commission, and not including any amount that the
8 Department determines is necessary to offset any amounts that
9 were payable to a different taxing body but were erroneously
10 paid to the commission, and less any amounts that are
11 transferred to the STAR Bonds Revenue Fund. Within 10 days
12 after receipt by the Comptroller of the certification of the
13 amount to be paid to the commission, the Comptroller shall
14 cause an order to be drawn for the payment for the amount in
15 accordance with the direction in the certification.

16 (h) Beginning June 1, 2016, any tax imposed pursuant to
17 this Section may no longer be imposed or collected, unless a
18 continuation of the tax is approved by the voters at a
19 referendum as set forth in this Section.

20 (Source: P.A. 97-333, eff. 8-12-11; 98-298, eff. 8-9-13.)

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.