

1 AN ACT in relation to taxes.

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

4 Section 5. The State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

6 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

7 Sec. 6z-18. A portion of the money paid into the Local
8 Government Tax Fund from sales of food for human consumption
9 which is to be consumed off the premises where it is sold
10 (other than alcoholic beverages, soft drinks and food which
11 has been prepared for immediate consumption) and prescription
12 and nonprescription medicines, drugs, medical appliances and
13 insulin, urine testing materials, syringes and needles used
14 by diabetics, which occurred in municipalities, shall be
15 distributed to each municipality based upon the sales which
16 occurred in that municipality. The remainder shall be
17 distributed to each county based upon the sales which
18 occurred in the unincorporated area of that county.

19 A portion of the money paid into the Local Government Tax
20 Fund from the 6.25% general use tax rate on the selling price
21 of tangible personal property which is purchased outside
22 Illinois at retail from a retailer and which is titled or
23 registered by any agency of this State's government shall be
24 distributed to municipalities as provided in this paragraph.
25 Each municipality shall receive the amount attributable to
26 sales for which Illinois addresses for titling or
27 registration purposes are given as being in such
28 municipality. The remainder of the money paid into the Local
29 Government Tax Fund from such sales shall be distributed to
30 counties. Each county shall receive the amount attributable
31 to sales for which Illinois addresses for titling or

1 registration purposes are given as being located in the
2 unincorporated area of such county.

3 A portion of the money paid into the Local Government Tax
4 Fund from the 6.25% general rate (and, beginning July 1, 2000
5 and through December 31, 2000, and, beginning again on July
6 1, 2001, the 1.25% rate on motor fuel and gasohol) on sales
7 subject to taxation under the Retailers' Occupation Tax Act
8 and the Service Occupation Tax Act, which occurred in
9 municipalities, shall be distributed to each municipality,
10 based upon the sales which occurred in that municipality. The
11 remainder shall be distributed to each county, based upon the
12 sales which occurred in the unincorporated area of such
13 county.

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

23 Whenever the Department determines that a refund of money
24 paid into the Local Government Tax Fund should be made to a
25 claimant instead of issuing a credit memorandum, the
26 Department shall notify the State Comptroller, who shall
27 cause the order to be drawn for the amount specified, and to
28 the person named, in such notification from the Department.
29 Such refund shall be paid by the State Treasurer out of the
30 Local Government Tax Fund.

31 On or before the 25th day of each calendar month, the
32 Department shall prepare and certify to the Comptroller the
33 disbursement of stated sums of money to named municipalities
34 and counties, the municipalities and counties to be those

1 entitled to distribution of taxes or penalties paid to the
2 Department during the second preceding calendar month. The
3 amount to be paid to each municipality or county shall be the
4 amount (not including credit memoranda) collected during the
5 second preceding calendar month by the Department and paid
6 into the Local Government Tax Fund, plus an amount the
7 Department determines is necessary to offset any amounts
8 which were erroneously paid to a different taxing body, and
9 not including an amount equal to the amount of refunds made
10 during the second preceding calendar month by the Department,
11 and not including any amount which the Department determines
12 is necessary to offset any amounts which are payable to a
13 different taxing body but were erroneously paid to the
14 municipality or county. Within 10 days after receipt, by the
15 Comptroller, of the disbursement certification to the
16 municipalities and counties, provided for in this Section to
17 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
20 contained in such certification.

21 When certifying the amount of monthly disbursement to a
22 municipality or county under this Section, the Department
23 shall increase or decrease that amount by an amount necessary
24 to offset any misallocation of previous disbursements. The
25 offset amount shall be the amount erroneously disbursed
26 within the 6 months preceding the time a misallocation is
27 discovered.

28 The provisions directing the distributions from the
29 special fund in the State Treasury provided for in this
30 Section shall constitute an irrevocable and continuing
31 appropriation of all amounts as provided herein. The State
32 Treasurer and State Comptroller are hereby authorized to make
33 distributions as provided in this Section.

34 In construing any development, redevelopment, annexation,

1 preannexation or other lawful agreement in effect prior to
2 September 1, 1990, which describes or refers to receipts from
3 a county or municipal retailers' occupation tax, use tax or
4 service occupation tax which now cannot be imposed, such
5 description or reference shall be deemed to include the
6 replacement revenue for such abolished taxes, distributed
7 from the Local Government Tax Fund.

8 (Source: P.A. 90-491, eff. 1-1-98; 91-51, eff. 6-30-99;
9 91-872, eff. 7-1-00.)

10 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

11 Sec. 6z-20. Of the money received from the 6.25% general
12 rate (and, beginning July 1, 2000 and through December 31,
13 2000, and, beginning again on July 1, 2001, the 1.25% rate on
14 motor fuel and gasohol) on sales subject to taxation under
15 the Retailers' Occupation Tax Act and Service Occupation Tax
16 Act and paid into the County and Mass Transit District Fund,
17 distribution to the Regional Transportation Authority tax
18 fund, created pursuant to Section 4.03 of the Regional
19 Transportation Authority Act, for deposit therein shall be
20 made based upon the retail sales occurring in a county having
21 more than 3,000,000 inhabitants. The remainder shall be
22 distributed to each county having 3,000,000 or fewer
23 inhabitants based upon the retail sales occurring in each
24 such county.

25 For the purpose of determining allocation to the local
26 government unit, a retail sale by a producer of coal or other
27 mineral mined in Illinois is a sale at retail at the place
28 where the coal or other mineral mined in Illinois is
29 extracted from the earth. This paragraph does not apply to
30 coal or other mineral when it is delivered or shipped by the
31 seller to the purchaser at a point outside Illinois so that
32 the sale is exempt under the United States Constitution as a
33 sale in interstate or foreign commerce.

1 Of the money received from the 6.25% general use tax rate
2 on tangible personal property which is purchased outside
3 Illinois at retail from a retailer and which is titled or
4 registered by any agency of this State's government and paid
5 into the County and Mass Transit District Fund, the amount
6 for which Illinois addresses for titling or registration
7 purposes are given as being in each county having more than
8 3,000,000 inhabitants shall be distributed into the Regional
9 Transportation Authority tax fund, created pursuant to
10 Section 4.03 of the Regional Transportation Authority Act.
11 The remainder of the money paid from such sales shall be
12 distributed to each county based on sales for which Illinois
13 addresses for titling or registration purposes are given as
14 being located in the county. Any money paid into the
15 Regional Transportation Authority Occupation and Use Tax
16 Replacement Fund from the County and Mass Transit District
17 Fund prior to January 14, 1991, which has not been paid to
18 the Authority prior to that date, shall be transferred to the
19 Regional Transportation Authority tax fund.

20 Whenever the Department determines that a refund of money
21 paid into the County and Mass Transit District Fund should be
22 made to a claimant instead of issuing a credit memorandum,
23 the Department shall notify the State Comptroller, who shall
24 cause the order to be drawn for the amount specified, and to
25 the person named, in such notification from the Department.
26 Such refund shall be paid by the State Treasurer out of the
27 County and Mass Transit District Fund.

28 On or before the 25th day of each calendar month, the
29 Department shall prepare and certify to the Comptroller the
30 disbursement of stated sums of money to the Regional
31 Transportation Authority and to named counties, the counties
32 to be those entitled to distribution, as hereinabove
33 provided, of taxes or penalties paid to the Department during
34 the second preceding calendar month. The amount to be paid

1 to the Regional Transportation Authority and each county
2 having 3,000,000 or fewer inhabitants shall be the amount
3 (not including credit memoranda) collected during the second
4 preceding calendar month by the Department and paid into the
5 County and Mass Transit District Fund, plus an amount the
6 Department determines is necessary to offset any amounts
7 which were erroneously paid to a different taxing body, and
8 not including an amount equal to the amount of refunds made
9 during the second preceding calendar month by the Department,
10 and not including any amount which the Department determines
11 is necessary to offset any amounts which were payable to a
12 different taxing body but were erroneously paid to the
13 Regional Transportation Authority or county. Within 10 days
14 after receipt, by the Comptroller, of the disbursement
15 certification to the Regional Transportation Authority and
16 counties, provided for in this Section to be given to the
17 Comptroller by the Department, the Comptroller shall cause
18 the orders to be drawn for the respective amounts in
19 accordance with the directions contained in such
20 certification.

21 When certifying the amount of a monthly disbursement to
22 the Regional Transportation Authority or to a county under
23 this Section, the Department shall increase or decrease that
24 amount by an amount necessary to offset any misallocation of
25 previous disbursements. The offset amount shall be the
26 amount erroneously disbursed within the 6 months preceding
27 the time a misallocation is discovered.

28 The provisions directing the distributions from the
29 special fund in the State Treasury provided for in this
30 Section and from the Regional Transportation Authority tax
31 fund created by Section 4.03 of the Regional Transportation
32 Authority Act shall constitute an irrevocable and continuing
33 appropriation of all amounts as provided herein. The State
34 Treasurer and State Comptroller are hereby authorized to make

1 distributions as provided in this Section.

2 In construing any development, redevelopment, annexation,
3 preannexation or other lawful agreement in effect prior to
4 September 1, 1990, which describes or refers to receipts from
5 a county or municipal retailers' occupation tax, use tax or
6 service occupation tax which now cannot be imposed, such
7 description or reference shall be deemed to include the
8 replacement revenue for such abolished taxes, distributed
9 from the County and Mass Transit District Fund or Local
10 Government Distributive Fund, as the case may be.

11 (Source: P.A. 90-491, eff. 1-1-98; 91-872, eff. 7-1-00.)

12 Section 10. The Use Tax Act is amended by changing
13 Sections 3-10 and 9 as follows:

14 (35 ILCS 105/3-10) (from Ch. 120, par. 439.3-10)

15 Sec. 3-10. Rate of tax. Unless otherwise provided in
16 this Section, the tax imposed by this Act is at the rate of
17 6.25% of either the selling price or the fair market value,
18 if any, of the tangible personal property. In all cases
19 where property functionally used or consumed is the same as
20 the property that was purchased at retail, then the tax is
21 imposed on the selling price of the property. In all cases
22 where property functionally used or consumed is a by-product
23 or waste product that has been refined, manufactured, or
24 produced from property purchased at retail, then the tax is
25 imposed on the lower of the fair market value, if any, of the
26 specific property so used in this State or on the selling
27 price of the property purchased at retail. For purposes of
28 this Section "fair market value" means the price at which
29 property would change hands between a willing buyer and a
30 willing seller, neither being under any compulsion to buy or
31 sell and both having reasonable knowledge of the relevant
32 facts. The fair market value shall be established by Illinois

1 sales by the taxpayer of the same property as that
2 functionally used or consumed, or if there are no such sales
3 by the taxpayer, then comparable sales or purchases of
4 property of like kind and character in Illinois.

5 Beginning on July 1, 2000 and through December 31, 2000,
6 and, beginning again on July 1, 2001, with respect to motor
7 fuel, as defined in Section 1.1 of the Motor Fuel Tax Law,
8 and gasohol, as defined in Section 3-40 of the Use Tax Act,
9 the tax is imposed at the rate of 1.25%. The changes made by
10 this amendatory Act of the 92nd General Assembly are exempt
11 from the provisions of Section 3-90.

12 With respect to gasohol, the tax imposed by this Act
13 applies to 70% of the proceeds of sales made on or after
14 January 1, 1990, and before July 1, 2003, and to 100% of the
15 proceeds of sales made thereafter.

16 With respect to food for human consumption that is to be
17 consumed off the premises where it is sold (other than
18 alcoholic beverages, soft drinks, and food that has been
19 prepared for immediate consumption) and prescription and
20 nonprescription medicines, drugs, medical appliances,
21 modifications to a motor vehicle for the purpose of rendering
22 it usable by a disabled person, and insulin, urine testing
23 materials, syringes, and needles used by diabetics, for human
24 use, the tax is imposed at the rate of 1%. For the purposes
25 of this Section, the term "soft drinks" means any complete,
26 finished, ready-to-use, non-alcoholic drink, whether
27 carbonated or not, including but not limited to soda water,
28 cola, fruit juice, vegetable juice, carbonated water, and all
29 other preparations commonly known as soft drinks of whatever
30 kind or description that are contained in any closed or
31 sealed bottle, can, carton, or container, regardless of size.
32 "Soft drinks" does not include coffee, tea, non-carbonated
33 water, infant formula, milk or milk products as defined in
34 the Grade A Pasteurized Milk and Milk Products Act, or drinks

1 containing 50% or more natural fruit or vegetable juice.

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

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

15 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
16 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

17 (35 ILCS 105/9) (from Ch. 120, par. 439.9)

18 Sec. 9. Except as to motor vehicles, watercraft,
19 aircraft, and trailers that are required to be registered
20 with an agency of this State, each retailer required or
21 authorized to collect the tax imposed by this Act shall pay
22 to the Department the amount of such tax (except as otherwise
23 provided) at the time when he is required to file his return
24 for the period during which such tax was collected, less a
25 discount of 2.1% prior to January 1, 1990, and 1.75% on and
26 after January 1, 1990, or \$5 per calendar year, whichever is
27 greater, which is allowed to reimburse the retailer for
28 expenses incurred in collecting the tax, keeping records,
29 preparing and filing returns, remitting the tax and supplying
30 data to the Department on request. In the case of retailers
31 who report and pay the tax on a transaction by transaction
32 basis, as provided in this Section, such discount shall be
33 taken with each such tax remittance instead of when such

1 retailer files his periodic return. A retailer need not
2 remit that part of any tax collected by him to the extent
3 that he is required to remit and does remit the tax imposed
4 by the Retailers' Occupation Tax Act, with respect to the
5 sale of the same property.

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

16 Except as provided in this Section, on or before the
17 twentieth day of each calendar month, such retailer shall
18 file a return for the preceding calendar month. Such return
19 shall be filed on forms prescribed by the Department and
20 shall furnish such information as the Department may
21 reasonably require.

22 The Department may require returns to be filed on a
23 quarterly basis. If so required, a return for each calendar
24 quarter shall be filed on or before the twentieth day of the
25 calendar month following the end of such calendar quarter.
26 The taxpayer shall also file a return with the Department for
27 each of the first two months of each calendar quarter, on or
28 before the twentieth day of the following calendar month,
29 stating:

- 30 1. The name of the seller;
- 31 2. The address of the principal place of business
32 from which he engages in the business of selling tangible
33 personal property at retail in this State;
- 34 3. The total amount of taxable receipts received by

1 him during the preceding calendar month from sales of
2 tangible personal property by him during such preceding
3 calendar month, including receipts from charge and time
4 sales, but less all deductions allowed by law;

5 4. The amount of credit provided in Section 2d of
6 this Act;

7 5. The amount of tax due;

8 5-5. The signature of the taxpayer; and

9 6. Such other reasonable information as the
10 Department may require.

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

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

1 the Department, for the immediately preceding calendar year
2 divided by 12.

3 Before August 1 of each year beginning in 1993, the
4 Department shall notify all taxpayers required to make
5 payments by electronic funds transfer. All taxpayers required
6 to make payments by electronic funds transfer shall make
7 those payments for a minimum of one year beginning on October
8 1.

9 Any taxpayer not required to make payments by electronic
10 funds transfer may make payments by electronic funds transfer
11 with the permission of the Department.

12 All taxpayers required to make payment by electronic
13 funds transfer and any taxpayers authorized to voluntarily
14 make payments by electronic funds transfer shall make those
15 payments in the manner authorized by the Department.

16 The Department shall adopt such rules as are necessary to
17 effectuate a program of electronic funds transfer and the
18 requirements of this Section.

19 Before October 1, 2000, if the taxpayer's average monthly
20 tax liability to the Department under this Act, the
21 Retailers' Occupation Tax Act, the Service Occupation Tax
22 Act, the Service Use Tax Act was \$10,000 or more during the
23 preceding 4 complete calendar quarters, he shall file a
24 return with the Department each month by the 20th day of the
25 month next following the month during which such tax
26 liability is incurred and shall make payments to the
27 Department on or before the 7th, 15th, 22nd and last day of
28 the month during which such liability is incurred. On and
29 after October 1, 2000, if the taxpayer's average monthly tax
30 liability to the Department under this Act, the Retailers'
31 Occupation Tax Act, the Service Occupation Tax Act, and the
32 Service Use Tax Act was \$20,000 or more during the preceding
33 4 complete calendar quarters, he shall file a return with the
34 Department each month by the 20th day of the month next

1 following the month during which such tax liability is
2 incurred and shall make payment to the Department on or
3 before the 7th, 15th, 22nd and last day of the month during
4 which such liability is incurred. If the month during which
5 such tax liability is incurred began prior to January 1,
6 1985, each payment shall be in an amount equal to 1/4 of the
7 taxpayer's actual liability for the month or an amount set by
8 the Department not to exceed 1/4 of the average monthly
9 liability of the taxpayer to the Department for the preceding
10 4 complete calendar quarters (excluding the month of highest
11 liability and the month of lowest liability in such 4 quarter
12 period). If the month during which such tax liability is
13 incurred begins on or after January 1, 1985, and prior to
14 January 1, 1987, each payment shall be in an amount equal to
15 22.5% of the taxpayer's actual liability for the month or
16 27.5% of the taxpayer's liability for the same calendar month
17 of the preceding year. If the month during which such tax
18 liability is incurred begins on or after January 1, 1987, and
19 prior to January 1, 1988, each payment shall be in an amount
20 equal to 22.5% of the taxpayer's actual liability for the
21 month or 26.25% of the taxpayer's liability for the same
22 calendar month of the preceding year. If the month during
23 which such tax liability is incurred begins on or after
24 January 1, 1988, and prior to January 1, 1989, or begins on
25 or after January 1, 1996, each payment shall be in an amount
26 equal to 22.5% of the taxpayer's actual liability for the
27 month or 25% of the taxpayer's liability for the same
28 calendar month of the preceding year. If the month during
29 which such tax liability is incurred begins on or after
30 January 1, 1989, and prior to January 1, 1996, each payment
31 shall be in an amount equal to 22.5% of the taxpayer's actual
32 liability for the month or 25% of the taxpayer's liability
33 for the same calendar month of the preceding year or 100% of
34 the taxpayer's actual liability for the quarter monthly

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

1 Department shall change such taxpayer's reporting status
2 unless it finds that such change is seasonal in nature and
3 not likely to be long term. If any such quarter monthly
4 payment is not paid at the time or in the amount required by
5 this Section, then the taxpayer shall be liable for penalties
6 and interest on the difference between the minimum amount due
7 and the amount of such quarter monthly payment actually and
8 timely paid, except insofar as the taxpayer has previously
9 made payments for that month to the Department in excess of
10 the minimum payments previously due as provided in this
11 Section. The Department shall make reasonable rules and
12 regulations to govern the quarter monthly payment amount and
13 quarter monthly payment dates for taxpayers who file on other
14 than a calendar monthly basis.

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

1 Act or the Service Use Tax Act, in accordance with reasonable
2 rules and regulations prescribed by the Department. If the
3 Department subsequently determines that all or any part of
4 the credit taken was not actually due to the taxpayer, the
5 taxpayer's 2.1% or 1.75% vendor's discount shall be reduced
6 by 2.1% or 1.75% of the difference between the credit taken
7 and that actually due, and the taxpayer shall be liable for
8 penalties and interest on such difference.

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

20 If the retailer is otherwise required to file a monthly
21 or quarterly return and if the retailer's average monthly tax
22 liability to the Department does not exceed \$50, the
23 Department may authorize his returns to be filed on an annual
24 basis, with the return for a given year being due by January
25 20 of the following year.

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

29 Notwithstanding any other provision in this Act
30 concerning the time within which a retailer may file his
31 return, in the case of any retailer who ceases to engage in a
32 kind of business which makes him responsible for filing
33 returns under this Act, such retailer shall file a final
34 return under this Act with the Department not more than one

1 month after discontinuing such business.

2 In addition, with respect to motor vehicles, watercraft,
3 aircraft, and trailers that are required to be registered
4 with an agency of this State, every retailer selling this
5 kind of tangible personal property shall file, with the
6 Department, upon a form to be prescribed and supplied by the
7 Department, a separate return for each such item of tangible
8 personal property which the retailer sells, except that if,
9 in the same transaction, (i) a retailer of aircraft,
10 watercraft, motor vehicles or trailers transfers more than
11 one aircraft, watercraft, motor vehicle or trailer to another
12 aircraft, watercraft, motor vehicle or trailer retailer for
13 the purpose of resale or (ii) a retailer of aircraft,
14 watercraft, motor vehicles, or trailers transfers more than
15 one aircraft, watercraft, motor vehicle, or trailer to a
16 purchaser for use as a qualifying rolling stock as provided
17 in Section 3-55 of this Act, then that seller may report the
18 transfer of all the aircraft, watercraft, motor vehicles or
19 trailers involved in that transaction to the Department on
20 the same uniform invoice-transaction reporting return form.
21 For purposes of this Section, "watercraft" means a Class 2,
22 Class 3, or Class 4 watercraft as defined in Section 3-2 of
23 the Boat Registration and Safety Act, a personal watercraft,
24 or any boat equipped with an inboard motor.

25 The transaction reporting return in the case of motor
26 vehicles or trailers that are required to be registered with
27 an agency of this State, shall be the same document as the
28 Uniform Invoice referred to in Section 5-402 of the Illinois
29 Vehicle Code and must show the name and address of the
30 seller; the name and address of the purchaser; the amount of
31 the selling price including the amount allowed by the
32 retailer for traded-in property, if any; the amount allowed
33 by the retailer for the traded-in tangible personal property,
34 if any, to the extent to which Section 2 of this Act allows

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

12 The transaction reporting return in the case of
13 watercraft and aircraft must show the name and address of the
14 seller; the name and address of the purchaser; the amount of
15 the selling price including the amount allowed by the
16 retailer for traded-in property, if any; the amount allowed
17 by the retailer for the traded-in tangible personal property,
18 if any, to the extent to which Section 2 of this Act allows
19 an exemption for the value of traded-in property; the balance
20 payable after deducting such trade-in allowance from the
21 total selling price; the amount of tax due from the retailer
22 with respect to such transaction; the amount of tax collected
23 from the purchaser by the retailer on such transaction (or
24 satisfactory evidence that such tax is not due in that
25 particular instance, if that is claimed to be the fact); the
26 place and date of the sale, a sufficient identification of
27 the property sold, and such other information as the
28 Department may reasonably require.

29 Such transaction reporting return shall be filed not
30 later than 20 days after the date of delivery of the item
31 that is being sold, but may be filed by the retailer at any
32 time sooner than that if he chooses to do so. The
33 transaction reporting return and tax remittance or proof of
34 exemption from the tax that is imposed by this Act may be

1 transmitted to the Department by way of the State agency with
2 which, or State officer with whom, the tangible personal
3 property must be titled or registered (if titling or
4 registration is required) if the Department and such agency
5 or State officer determine that this procedure will expedite
6 the processing of applications for title or registration.

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

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

28 If the user who would otherwise pay tax to the retailer
29 wants the transaction reporting return filed and the payment
30 of tax or proof of exemption made to the Department before
31 the retailer is willing to take these actions and such user
32 has not paid the tax to the retailer, such user may certify
33 to the fact of such delay by the retailer, and may (upon the
34 Department being satisfied of the truth of such

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

13 Where a retailer collects the tax with respect to the
14 selling price of tangible personal property which he sells
15 and the purchaser thereafter returns such tangible personal
16 property and the retailer refunds the selling price thereof
17 to the purchaser, such retailer shall also refund, to the
18 purchaser, the tax so collected from the purchaser. When
19 filing his return for the period in which he refunds such tax
20 to the purchaser, the retailer may deduct the amount of the
21 tax so refunded by him to the purchaser from any other use
22 tax which such retailer may be required to pay or remit to
23 the Department, as shown by such return, if the amount of the
24 tax to be deducted was previously remitted to the Department
25 by such retailer. If the retailer has not previously
26 remitted the amount of such tax to the Department, he is
27 entitled to no deduction under this Act upon refunding such
28 tax to the purchaser.

29 Any retailer filing a return under this Section shall
30 also include (for the purpose of paying tax thereon) the
31 total tax covered by such return upon the selling price of
32 tangible personal property purchased by him at retail from a
33 retailer, but as to which the tax imposed by this Act was not
34 collected from the retailer filing such return, and such

1 retailer shall remit the amount of such tax to the Department
2 when filing such return.

3 If experience indicates such action to be practicable,
4 the Department may prescribe and furnish a combination or
5 joint return which will enable retailers, who are required to
6 file returns hereunder and also under the Retailers'
7 Occupation Tax Act, to furnish all the return information
8 required by both Acts on the one form.

9 Where the retailer has more than one business registered
10 with the Department under separate registration under this
11 Act, such retailer may not file each return that is due as a
12 single return covering all such registered businesses, but
13 shall file separate returns for each such registered
14 business.

15 Beginning January 1, 1990, each month the Department
16 shall pay into the State and Local Sales Tax Reform Fund, a
17 special fund in the State Treasury which is hereby created,
18 the net revenue realized for the preceding month from the 1%
19 tax on sales of food for human consumption which is to be
20 consumed off the premises where it is sold (other than
21 alcoholic beverages, soft drinks and food which has been
22 prepared for immediate consumption) and prescription and
23 nonprescription medicines, drugs, medical appliances and
24 insulin, urine testing materials, syringes and needles used
25 by diabetics.

26 Beginning January 1, 1990, each month the Department
27 shall pay into the County and Mass Transit District Fund 4%
28 of the net revenue realized for the preceding month from the
29 6.25% general rate on the selling price of tangible personal
30 property which is purchased outside Illinois at retail from a
31 retailer and which is titled or registered by an agency of
32 this State's government.

33 Beginning January 1, 1990, each month the Department
34 shall pay into the State and Local Sales Tax Reform Fund, a

1 special fund in the State Treasury, 20% of the net revenue
2 realized for the preceding month from the 6.25% general rate
3 on the selling price of tangible personal property, other
4 than tangible personal property which is purchased outside
5 Illinois at retail from a retailer and which is titled or
6 registered by an agency of this State's government.

7 Beginning August 1, 2000, and, beginning again on August
8 1, 2001, each month the Department shall pay into the State
9 and Local Sales Tax Reform Fund 100% of the net revenue
10 realized for the preceding month from the 1.25% rate on the
11 selling price of motor fuel and gasohol.

12 Beginning January 1, 1990, each month the Department
13 shall pay into the Local Government Tax Fund 16% of the net
14 revenue realized for the preceding month from the 6.25%
15 general rate on the selling price of tangible personal
16 property which is purchased outside Illinois at retail from a
17 retailer and which is titled or registered by an agency of
18 this State's government.

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

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

1 amount required to be transferred in such month from the
 2 Build Illinois Bond Account to the Build Illinois Bond
 3 Retirement and Interest Fund pursuant to Section 13 of the
 4 Build Illinois Bond Act, an amount equal to such deficiency
 5 shall be immediately paid from other moneys received by the
 6 Department pursuant to the Tax Acts to the Build Illinois
 7 Fund; provided, however, that any amounts paid to the Build
 8 Illinois Fund in any fiscal year pursuant to this sentence
 9 shall be deemed to constitute payments pursuant to clause (b)
 10 of the preceding sentence and shall reduce the amount
 11 otherwise payable for such fiscal year pursuant to clause (b)
 12 of the preceding sentence. The moneys received by the
 13 Department pursuant to this Act and required to be deposited
 14 into the Build Illinois Fund are subject to the pledge, claim
 15 and charge set forth in Section 12 of the Build Illinois Bond
 16 Act.

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

30	Fiscal Year	Total Deposit
31	1993	\$0
32	1994	53,000,000
33	1995	58,000,000
34	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	84,000,000
7	2003	89,000,000
8	2004	93,000,000
9	2005	97,000,000
10	2006	102,000,000
11	2007	108,000,000
12	2008	115,000,000
13	2009	120,000,000
14	2010	126,000,000
15	2011	132,000,000
16	2012	138,000,000
17	2013 and	145,000,000

18 each fiscal year
19 thereafter that bonds
20 are outstanding under
21 Section 13.2 of the
22 Metropolitan Pier and
23 Exposition Authority
24 Act, but not after fiscal year 2029.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the
27 certificate of the Chairman of the Metropolitan Pier and
28 Exposition Authority for that fiscal year, less the amount
29 deposited into the McCormick Place Expansion Project Fund by
30 the State Treasurer in the respective month under subsection
31 (g) of Section 13 of the Metropolitan Pier and Exposition
32 Authority Act, plus cumulative deficiencies in the deposits
33 required under this Section for previous months and years,
34 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year,
2 but not in excess of the amount specified above as "Total
3 Deposit", has been deposited.

4 Subject to payment of amounts into the Build Illinois
5 Fund and the McCormick Place Expansion Project Fund pursuant
6 to the preceding paragraphs or in any amendment thereto
7 hereafter enacted, each month the Department shall pay into
8 the Local Government Distributive Fund .4% of the net revenue
9 realized for the preceding month from the 5% general rate, or
10 .4% of 80% of the net revenue realized for the preceding
11 month from the 6.25% general rate, as the case may be, on the
12 selling price of tangible personal property which amount
13 shall, subject to appropriation, be distributed as provided
14 in Section 2 of the State Revenue Sharing Act. No payments or
15 distributions pursuant to this paragraph shall be made if the
16 tax imposed by this Act on photoprocessing products is
17 declared unconstitutional, or if the proceeds from such tax
18 are unavailable for distribution because of litigation.

19 Subject to payment of amounts into the Build Illinois
20 Fund, the McCormick Place Expansion Project Fund, and the
21 Local Government Distributive Fund pursuant to the preceding
22 paragraphs or in any amendments thereto hereafter enacted,
23 beginning July 1, 1993, the Department shall each month pay
24 into the Illinois Tax Increment Fund 0.27% of 80% of the net
25 revenue realized for the preceding month from the 6.25%
26 general rate on the selling price of tangible personal
27 property.

28 Of the remainder of the moneys received by the Department
29 pursuant to this Act, 75% thereof shall be paid into the
30 State Treasury and 25% shall be reserved in a special account
31 and used only for the transfer to the Common School Fund as
32 part of the monthly transfer from the General Revenue Fund in
33 accordance with Section 8a of the State Finance Act.

34 As soon as possible after the first day of each month,

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

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

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

19 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;
20 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.
21 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,
22 eff. 1-1-01; revised 8-30-00.)

23 Section 15. The Service Use Tax Act is amended by
24 changing Sections 3-10 and 9 as follows:

25 (35 ILCS 110/3-10) (from Ch. 120, par. 439.33-10)

26 Sec. 3-10. Rate of tax. Unless otherwise provided in
27 this Section, the tax imposed by this Act is at the rate of
28 6.25% of the selling price of tangible personal property
29 transferred as an incident to the sale of service, but, for
30 the purpose of computing this tax, in no event shall the
31 selling price be less than the cost price of the property to
32 the serviceman.

1 Beginning on July 1, 2000 and through December 31, 2000,
2 and, beginning again on July 1, 2001, with respect to motor
3 fuel, as defined in Section 1.1 of the Motor Fuel Tax Law,
4 and gasohol, as defined in Section 3-40 of the Use Tax Act,
5 the tax is imposed at the rate of 1.25%. The changes made by
6 this amendatory Act of the 92nd General Assembly are exempt
7 from the provisions of Section 3-75.

8 With respect to gasohol, as defined in the Use Tax Act,
9 the tax imposed by this Act applies to 70% of the selling
10 price of property transferred as an incident to the sale of
11 service on or after January 1, 1990, and before July 1, 2003,
12 and to 100% of the selling price thereafter.

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

23 The tax shall be imposed at the rate of 1% on food
24 prepared for immediate consumption and transferred incident
25 to a sale of service subject to this Act or the Service
26 Occupation Tax Act by an entity licensed under the Hospital
27 Licensing Act, the Nursing Home Care Act, or the Child Care
28 Act of 1969. The tax shall also be imposed at the rate of 1%
29 on food for human consumption that is to be consumed off the
30 premises where it is sold (other than alcoholic beverages,
31 soft drinks, and food that has been prepared for immediate
32 consumption and is not otherwise included in this paragraph)
33 and prescription and nonprescription medicines, drugs,
34 medical appliances, modifications to a motor vehicle for the

1 purpose of rendering it usable by a disabled person, and
2 insulin, urine testing materials, syringes, and needles used
3 by diabetics, for human use. For the purposes of this
4 Section, the term "soft drinks" means any complete, finished,
5 ready-to-use, non-alcoholic drink, whether carbonated or not,
6 including but not limited to soda water, cola, fruit juice,
7 vegetable juice, carbonated water, and all other preparations
8 commonly known as soft drinks of whatever kind or description
9 that are contained in any closed or sealed bottle, can,
10 carton, or container, regardless of size. "Soft drinks" does
11 not include coffee, tea, non-carbonated water, infant
12 formula, milk or milk products as defined in the Grade A
13 Pasteurized Milk and Milk Products Act, or drinks containing
14 50% or more natural fruit or vegetable juice.

15 Notwithstanding any other provisions of this Act, "food
16 for human consumption that is to be consumed off the premises
17 where it is sold" includes all food sold through a vending
18 machine, except soft drinks and food products that are
19 dispensed hot from a vending machine, regardless of the
20 location of the vending machine.

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

28 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
29 91-51, eff. 6-30-99; 91-541, eff. 8-13-99; 91-872, eff.
30 7-1-00.)

31 (35 ILCS 110/9) (from Ch. 120, par. 439.39)

32 Sec. 9. Each serviceman required or authorized to
33 collect the tax herein imposed shall pay to the Department

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

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

21 The Department may require returns to be filed on a
22 quarterly basis. If so required, a return for each calendar
23 quarter shall be filed on or before the twentieth day of the
24 calendar month following the end of such calendar quarter.
25 The taxpayer shall also file a return with the Department for
26 each of the first two months of each calendar quarter, on or
27 before the twentieth day of the following calendar month,
28 stating:

- 29 1. The name of the seller;
- 30 2. The address of the principal place of business
31 from which he engages in business as a serviceman in this
32 State;
- 33 3. The total amount of taxable receipts received by
34 him during the preceding calendar month, including

1 receipts from charge and time sales, but less all
2 deductions allowed by law;

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

5 5. The amount of tax due;

6 5-5. The signature of the taxpayer; and

7 6. Such other reasonable information as the
8 Department may require.

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

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

1 Before August 1 of each year beginning in 1993, the
2 Department shall notify all taxpayers required to make
3 payments by electronic funds transfer. All taxpayers required
4 to make payments by electronic funds transfer shall make
5 those payments for a minimum of one year beginning on October
6 1.

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

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

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

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

28 If the serviceman is otherwise required to file a monthly
29 or quarterly return and if the serviceman's average monthly
30 tax liability to the Department does not exceed \$50, the
31 Department may authorize his returns to be filed on an annual
32 basis, with the return for a given year being due by January
33 20 of the following year.

34 Such quarter annual and annual returns, as to form and

1 substance, shall be subject to the same requirements as
2 monthly returns.

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

10 Where a serviceman collects the tax with respect to the
11 selling price of property which he sells and the purchaser
12 thereafter returns such property and the serviceman refunds
13 the selling price thereof to the purchaser, such serviceman
14 shall also refund, to the purchaser, the tax so collected
15 from the purchaser. When filing his return for the period in
16 which he refunds such tax to the purchaser, the serviceman
17 may deduct the amount of the tax so refunded by him to the
18 purchaser from any other Service Use Tax, Service Occupation
19 Tax, retailers' occupation tax or use tax which such
20 serviceman may be required to pay or remit to the Department,
21 as shown by such return, provided that the amount of the tax
22 to be deducted shall previously have been remitted to the
23 Department by such serviceman. If the serviceman shall not
24 previously have remitted the amount of such tax to the
25 Department, he shall be entitled to no deduction hereunder
26 upon refunding such tax to the purchaser.

27 Any serviceman filing a return hereunder shall also
28 include the total tax upon the selling price of tangible
29 personal property purchased for use by him as an incident to
30 a sale of service, and such serviceman shall remit the amount
31 of such tax to the Department when filing such return.

32 If experience indicates such action to be practicable,
33 the Department may prescribe and furnish a combination or
34 joint return which will enable servicemen, who are required

1 to file returns hereunder and also under the Service
2 Occupation Tax Act, to furnish all the return information
3 required by both Acts on the one form.

4 Where the serviceman has more than one business
5 registered with the Department under separate registration
6 hereunder, such serviceman shall not file each return that is
7 due as a single return covering all such registered
8 businesses, but shall file separate returns for each such
9 registered business.

10 Beginning January 1, 1990, each month the Department
11 shall pay into the State and Local Tax Reform Fund, a special
12 fund in the State Treasury, the net revenue realized for the
13 preceding month from the 1% tax on sales of food for human
14 consumption which is to be consumed off the premises where it
15 is sold (other than alcoholic beverages, soft drinks and food
16 which has been prepared for immediate consumption) and
17 prescription and nonprescription medicines, drugs, medical
18 appliances and insulin, urine testing materials, syringes and
19 needles used by diabetics.

20 Beginning January 1, 1990, each month the Department
21 shall pay into the State and Local Sales Tax Reform Fund 20%
22 of the net revenue realized for the preceding month from the
23 6.25% general rate on transfers of tangible personal
24 property, other than tangible personal property which is
25 purchased outside Illinois at retail from a retailer and
26 which is titled or registered by an agency of this State's
27 government.

28 Beginning August 1, 2000, and, beginning again on August
29 1, 2001, each month the Department shall pay into the State
30 and Local Sales Tax Reform Fund 100% of the net revenue
31 realized for the preceding month from the 1.25% rate on the
32 selling price of motor fuel and gasohol.

33 Of the remainder of the moneys received by the Department
34 pursuant to this Act, (a) 1.75% thereof shall be paid into

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

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

31 Subject to payment of amounts into the Build Illinois
32 Fund as provided in the preceding paragraph or in any
33 amendment thereto hereafter enacted, the following specified
34 monthly installment of the amount requested in the

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

10	Fiscal Year	Total Deposit
11	1993	\$0
12	1994	53,000,000
13	1995	58,000,000
14	1996	61,000,000
15	1997	64,000,000
16	1998	68,000,000
17	1999	71,000,000
18	2000	75,000,000
19	2001	80,000,000
20	2002	84,000,000
21	2003	89,000,000
22	2004	93,000,000
23	2005	97,000,000
24	2006	102,000,000
25	2007	108,000,000
26	2008	115,000,000
27	2009	120,000,000
28	2010	126,000,000
29	2011	132,000,000
30	2012	138,000,000
31	2013 and	145,000,000

32 each fiscal year
 33 thereafter that bonds
 34 are outstanding under

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2029.

5 Beginning July 20, 1993 and in each month of each fiscal
6 year thereafter, one-eighth of the amount requested in the
7 certificate of the Chairman of the Metropolitan Pier and
8 Exposition Authority for that fiscal year, less the amount
9 deposited into the McCormick Place Expansion Project Fund by
10 the State Treasurer in the respective month under subsection
11 (g) of Section 13 of the Metropolitan Pier and Exposition
12 Authority Act, plus cumulative deficiencies in the deposits
13 required under this Section for previous months and years,
14 shall be deposited into the McCormick Place Expansion Project
15 Fund, until the full amount requested for the fiscal year,
16 but not in excess of the amount specified above as "Total
17 Deposit", has been deposited.

18 Subject to payment of amounts into the Build Illinois
19 Fund and the McCormick Place Expansion Project Fund pursuant
20 to the preceding paragraphs or in any amendment thereto
21 hereafter enacted, each month the Department shall pay into
22 the Local Government Distributive Fund 0.4% of the net
23 revenue realized for the preceding month from the 5% general
24 rate or 0.4% of 80% of the net revenue realized for the
25 preceding month from the 6.25% general rate, as the case may
26 be, on the selling price of tangible personal property which
27 amount shall, subject to appropriation, be distributed as
28 provided in Section 2 of the State Revenue Sharing Act. No
29 payments or distributions pursuant to this paragraph shall be
30 made if the tax imposed by this Act on photo processing
31 products is declared unconstitutional, or if the proceeds
32 from such tax are unavailable for distribution because of
33 litigation.

34 Subject to payment of amounts into the Build Illinois

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

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

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

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

24 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,
25 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;
26 91-872, eff. 7-1-00.)

27 Section 20. The Service Occupation Tax Act is amended by
28 changing Sections 3-10 and 9 as follows:

29 (35 ILCS 115/3-10) (from Ch. 120, par. 439.103-10)
30 Sec. 3-10. Rate of tax. Unless otherwise provided in
31 this Section, the tax imposed by this Act is at the rate of
32 6.25% of the "selling price", as defined in Section 2 of the

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

16 Beginning on July 1, 2000 and through December 31, 2000,
17 and, beginning again on July 1, 2001, with respect to motor
18 fuel, as defined in Section 1.1 of the Motor Fuel Tax Law,
19 and gasohol, as defined in Section 3-40 of the Use Tax Act,
20 the tax is imposed at the rate of 1.25%. The changes made by
21 this amendatory Act of the 92nd General Assembly are exempt
22 from the provisions of Section 3-55.

23 With respect to gasohol, as defined in the Use Tax Act,
24 the tax imposed by this Act shall apply to 70% of the cost
25 price of property transferred as an incident to the sale of
26 service on or after January 1, 1990, and before July 1, 2003,
27 and to 100% of the cost price thereafter.

28 At the election of any registered serviceman made for
29 each fiscal year, sales of service in which the aggregate
30 annual cost price of tangible personal property transferred
31 as an incident to the sales of service is less than 35%, or
32 75% in the case of servicemen transferring prescription drugs
33 or servicemen engaged in graphic arts production, of the
34 aggregate annual total gross receipts from all sales of

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

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

30 Notwithstanding any other provisions of this Act, "food
31 for human consumption that is to be consumed off the premises
32 where it is sold" includes all food sold through a vending
33 machine, except soft drinks and food products that are
34 dispensed hot from a vending machine, regardless of the

1 location of the vending machine.
2 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
3 91-51, 6-30-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00.)

4 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

5 Sec. 9. Each serviceman required or authorized to
6 collect the tax herein imposed shall pay to the Department
7 the amount of such tax at the time when he is required to
8 file his return for the period during which such tax was
9 collectible, less a discount of 2.1% prior to January 1,
10 1990, and 1.75% on and after January 1, 1990, or \$5 per
11 calendar year, whichever is greater, which is allowed to
12 reimburse the serviceman for expenses incurred in collecting
13 the tax, keeping records, preparing and filing returns,
14 remitting the tax and supplying data to the Department on
15 request.

16 Where such tangible personal property is sold under a
17 conditional sales contract, or under any other form of sale
18 wherein the payment of the principal sum, or a part thereof,
19 is extended beyond the close of the period for which the
20 return is filed, the serviceman, in collecting the tax may
21 collect, for each tax return period, only the tax applicable
22 to the part of the selling price actually received during
23 such tax return period.

24 Except as provided hereinafter in this Section, on or
25 before the twentieth day of each calendar month, such
26 serviceman shall file a return for the preceding calendar
27 month in accordance with reasonable rules and regulations to
28 be promulgated by the Department of Revenue. Such return
29 shall be filed on a form prescribed by the Department and
30 shall contain such information as the Department may
31 reasonably require.

32 The Department may require returns to be filed on a
33 quarterly basis. If so required, a return for each calendar

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

- 7 1. The name of the seller;
- 8 2. The address of the principal place of business
9 from which he engages in business as a serviceman in this
10 State;
- 11 3. The total amount of taxable receipts received by
12 him during the preceding calendar month, including
13 receipts from charge and time sales, but less all
14 deductions allowed by law;
- 15 4. The amount of credit provided in Section 2d of
16 this Act;
- 17 5. The amount of tax due;
- 18 5-5. The signature of the taxpayer; and
- 19 6. Such other reasonable information as the
20 Department may require.

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

25 A serviceman may accept a Manufacturer's Purchase Credit
26 certification from a purchaser in satisfaction of Service Use
27 Tax as provided in Section 3-70 of the Service Use Tax Act if
28 the purchaser provides the appropriate documentation as
29 required by Section 3-70 of the Service Use Tax Act. A
30 Manufacturer's Purchase Credit certification, accepted by a
31 serviceman as provided in Section 3-70 of the Service Use Tax
32 Act, may be used by that serviceman to satisfy Service
33 Occupation Tax liability in the amount claimed in the
34 certification, not to exceed 6.25% of the receipts subject to

1 tax from a qualifying purchase.

2 If the serviceman's average monthly tax liability to the
3 Department does not exceed \$200, the Department may authorize
4 his returns to be filed on a quarter annual basis, with the
5 return for January, February and March of a given year being
6 due by April 20 of such year; with the return for April, May
7 and June of a given year being due by July 20 of such year;
8 with the return for July, August and September of a given
9 year being due by October 20 of such year, and with the
10 return for October, November and December of a given year
11 being due by January 20 of the following year.

12 If the serviceman's average monthly tax liability to the
13 Department does not exceed \$50, the Department may authorize
14 his returns to be filed on an annual basis, with the return
15 for a given year being due by January 20 of the following
16 year.

17 Such quarter annual and annual returns, as to form and
18 substance, shall be subject to the same requirements as
19 monthly returns.

20 Notwithstanding any other provision in this Act
21 concerning the time within which a serviceman may file his
22 return, in the case of any serviceman who ceases to engage in
23 a kind of business which makes him responsible for filing
24 returns under this Act, such serviceman shall file a final
25 return under this Act with the Department not more than 1
26 month after discontinuing such business.

27 Beginning October 1, 1993, a taxpayer who has an average
28 monthly tax liability of \$150,000 or more shall make all
29 payments required by rules of the Department by electronic
30 funds transfer. Beginning October 1, 1994, a taxpayer who
31 has an average monthly tax liability of \$100,000 or more
32 shall make all payments required by rules of the Department
33 by electronic funds transfer. Beginning October 1, 1995, a
34 taxpayer who has an average monthly tax liability of \$50,000

1 or more shall make all payments required by rules of the
2 Department by electronic funds transfer. Beginning October
3 1, 2000, a taxpayer who has an annual tax liability of
4 \$200,000 or more shall make all payments required by rules of
5 the Department by electronic funds transfer. The term
6 "annual tax liability" shall be the sum of the taxpayer's
7 liabilities under this Act, and under all other State and
8 local occupation and use tax laws administered by the
9 Department, for the immediately preceding calendar year. The
10 term "average monthly tax liability" means the sum of the
11 taxpayer's liabilities under this Act, and under all other
12 State and local occupation and use tax laws administered by
13 the Department, for the immediately preceding calendar year
14 divided by 12.

15 Before August 1 of each year beginning in 1993, the
16 Department shall notify all taxpayers required to make
17 payments by electronic funds transfer. All taxpayers
18 required to make payments by electronic funds transfer shall
19 make those payments for a minimum of one year beginning on
20 October 1.

21 Any taxpayer not required to make payments by electronic
22 funds transfer may make payments by electronic funds transfer
23 with the permission of the Department.

24 All taxpayers required to make payment by electronic
25 funds transfer and any taxpayers authorized to voluntarily
26 make payments by electronic funds transfer shall make those
27 payments in the manner authorized by the Department.

28 The Department shall adopt such rules as are necessary to
29 effectuate a program of electronic funds transfer and the
30 requirements of this Section.

31 Where a serviceman collects the tax with respect to the
32 selling price of tangible personal property which he sells
33 and the purchaser thereafter returns such tangible personal
34 property and the serviceman refunds the selling price thereof

1 to the purchaser, such serviceman shall also refund, to the
2 purchaser, the tax so collected from the purchaser. When
3 filing his return for the period in which he refunds such tax
4 to the purchaser, the serviceman may deduct the amount of the
5 tax so refunded by him to the purchaser from any other
6 Service Occupation Tax, Service Use Tax, Retailers'
7 Occupation Tax or Use Tax which such serviceman may be
8 required to pay or remit to the Department, as shown by such
9 return, provided that the amount of the tax to be deducted
10 shall previously have been remitted to the Department by such
11 serviceman. If the serviceman shall not previously have
12 remitted the amount of such tax to the Department, he shall
13 be entitled to no deduction hereunder upon refunding such tax
14 to the purchaser.

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

22 Where the serviceman has more than one business
23 registered with the Department under separate registrations
24 hereunder, such serviceman shall file separate returns for
25 each registered business.

26 Beginning January 1, 1990, each month the Department
27 shall pay into the Local Government Tax Fund the revenue
28 realized for the preceding month from the 1% tax on sales of
29 food for human consumption which is to be consumed off the
30 premises where it is sold (other than alcoholic beverages,
31 soft drinks and food which has been prepared for immediate
32 consumption) and prescription and nonprescription medicines,
33 drugs, medical appliances and insulin, urine testing
34 materials, syringes and needles used by diabetics.

1 Beginning January 1, 1990, each month the Department
2 shall pay into the County and Mass Transit District Fund 4%
3 of the revenue realized for the preceding month from the
4 6.25% general rate.

5 Beginning August 1, 2000, and, beginning again on August
6 1, 2001, each month the Department shall pay into the County
7 and Mass Transit District Fund 20% of the net revenue
8 realized for the preceding month from the 1.25% rate on the
9 selling price of motor fuel and gasohol.

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

14 Beginning August 1, 2000, and, beginning again on August
15 1, 2001, each month the Department shall pay into the Local
16 Government Tax Fund 80% of the net revenue realized for the
17 preceding month from the 1.25% rate on the selling price of
18 motor fuel and gasohol.

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

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

1 amount required to be transferred in such month from the
 2 Build Illinois Bond Account to the Build Illinois Bond
 3 Retirement and Interest Fund pursuant to Section 13 of the
 4 Build Illinois Bond Act, an amount equal to such deficiency
 5 shall be immediately paid from other moneys received by the
 6 Department pursuant to the Tax Acts to the Build Illinois
 7 Fund; provided, however, that any amounts paid to the Build
 8 Illinois Fund in any fiscal year pursuant to this sentence
 9 shall be deemed to constitute payments pursuant to clause (b)
 10 of the preceding sentence and shall reduce the amount
 11 otherwise payable for such fiscal year pursuant to clause (b)
 12 of the preceding sentence. The moneys received by the
 13 Department pursuant to this Act and required to be deposited
 14 into the Build Illinois Fund are subject to the pledge, claim
 15 and charge set forth in Section 12 of the Build Illinois Bond
 16 Act.

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

30	Fiscal Year	Total Deposit
31	1993	\$0
32	1994	53,000,000
33	1995	58,000,000
34	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	84,000,000
7	2003	89,000,000
8	2004	93,000,000
9	2005	97,000,000
10	2006	102,000,000
11	2007	108,000,000
12	2008	115,000,000
13	2009	120,000,000
14	2010	126,000,000
15	2011	132,000,000
16	2012	138,000,000
17	2013 and	145,000,000

18 each fiscal year
19 thereafter that bonds
20 are outstanding under
21 Section 13.2 of the
22 Metropolitan Pier and
23 Exposition Authority
24 Act, but not after fiscal year 2029.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the
27 certificate of the Chairman of the Metropolitan Pier and
28 Exposition Authority for that fiscal year, less the amount
29 deposited into the McCormick Place Expansion Project Fund by
30 the State Treasurer in the respective month under subsection
31 (g) of Section 13 of the Metropolitan Pier and Exposition
32 Authority Act, plus cumulative deficiencies in the deposits
33 required under this Section for previous months and years,
34 shall be deposited into the McCormick Place Expansion Project

1 Fund, until the full amount requested for the fiscal year,
2 but not in excess of the amount specified above as "Total
3 Deposit", has been deposited.

4 Subject to payment of amounts into the Build Illinois
5 Fund and the McCormick Place Expansion Project Fund pursuant
6 to the preceding paragraphs or in any amendment thereto
7 hereafter enacted, each month the Department shall pay into
8 the Local Government Distributive Fund 0.4% of the net
9 revenue realized for the preceding month from the 5% general
10 rate or 0.4% of 80% of the net revenue realized for the
11 preceding month from the 6.25% general rate, as the case may
12 be, on the selling price of tangible personal property which
13 amount shall, subject to appropriation, be distributed as
14 provided in Section 2 of the State Revenue Sharing Act. No
15 payments or distributions pursuant to this paragraph shall be
16 made if the tax imposed by this Act on photoprocessing
17 products is declared unconstitutional, or if the proceeds
18 from such tax are unavailable for distribution because of
19 litigation.

20 Subject to payment of amounts into the Build Illinois
21 Fund, the McCormick Place Expansion Project Fund, and the
22 Local Government Distributive Fund pursuant to the preceding
23 paragraphs or in any amendments thereto hereafter enacted,
24 beginning July 1, 1993, the Department shall each month pay
25 into the Illinois Tax Increment Fund 0.27% of 80% of the net
26 revenue realized for the preceding month from the 6.25%
27 general rate on the selling price of tangible personal
28 property.

29 Remaining moneys received by the Department pursuant to
30 this Act shall be paid into the General Revenue Fund of the
31 State Treasury.

32 The Department may, upon separate written notice to a
33 taxpayer, require the taxpayer to prepare and file with the
34 Department on a form prescribed by the Department within not

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

21 If the annual information return required by this Section
22 is not filed when and as required, the taxpayer shall be
23 liable as follows:

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

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

34 The chief executive officer, proprietor, owner or highest

1 ranking manager shall sign the annual return to certify the
2 accuracy of the information contained therein. Any person
3 who willfully signs the annual return containing false or
4 inaccurate information shall be guilty of perjury and
5 punished accordingly. The annual return form prescribed by
6 the Department shall include a warning that the person
7 signing the return may be liable for perjury.

8 The foregoing portion of this Section concerning the
9 filing of an annual information return shall not apply to a
10 serviceman who is not required to file an income tax return
11 with the United States Government.

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

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

24 For greater simplicity of administration, it shall be
25 permissible for manufacturers, importers and wholesalers
26 whose products are sold by numerous servicemen in Illinois,
27 and who wish to do so, to assume the responsibility for
28 accounting and paying to the Department all tax accruing
29 under this Act with respect to such sales, if the servicemen
30 who are affected do not make written objection to the
31 Department to this arrangement.

32 (Source: P.A. 90-612, eff. 7-8-98; 91-37, eff. 7-1-99; 91-51,
33 eff. 6-30-99; 91-101, eff. 7-12-99; 91-541, eff. 8-13-99;
34 91-872, eff. 7-1-00.)

1 Section 25. The Retailers' Occupation Tax Act is amended
2 by changing Sections 2-10, 2d, and 3 as follows:

3 (35 ILCS 120/2-10) (from Ch. 120, par. 441-10)

4 Sec. 2-10. Rate of tax. Unless otherwise provided in
5 this Section, the tax imposed by this Act is at the rate of
6 6.25% of gross receipts from sales of tangible personal
7 property made in the course of business.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 and, beginning again on July 1, 2001, with respect to motor
10 fuel, as defined in Section 1.1 of the Motor Fuel Tax Law,
11 and gasohol, as defined in Section 3-40 of the Use Tax Act,
12 the tax is imposed at the rate of 1.25%. The changes made by
13 this amendatory Act of the 92nd General Assembly are exempt
14 from the provisions of Section 2-70.

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

30 With respect to gasohol, as defined in the Use Tax Act,
31 the tax imposed by this Act applies to 70% of the proceeds of
32 sales made on or after January 1, 1990, and before July 1,
33 2003, and to 100% of the proceeds of sales made thereafter.

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

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

27 (Source: P.A. 90-605, eff. 6-30-98; 90-606, eff. 6-30-98;
28 91-51, eff. 6-30-99; 91-872, eff. 7-1-00.)

29 (35 ILCS 120/2d) (from Ch. 120, par. 441d)

30 Sec. 2d. Tax prepayment by motor fuel retailer. Any
31 person engaged in the business of selling motor fuel at
32 retail, as defined in the Motor Fuel Tax Law, and who is not
33 a licensed distributor or supplier, as defined in the Motor

1 Fuel Tax Law, shall prepay to his or her distributor,
2 supplier, or other reseller of motor fuel a portion of the
3 tax imposed by this Act if the distributor, supplier, or
4 other reseller of motor fuel is registered under Section 2a
5 or Section 2c of this Act. The prepayment requirement
6 provided for in this Section does not apply to liquid propane
7 gas.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 the Retailers' Occupation Tax paid to the distributor,
10 supplier, or other reseller shall be an amount equal to \$0.01
11 per gallon of the motor fuel, except gasohol as defined in
12 Section 2-10 of this Act which shall be an amount equal to
13 \$0.01 per gallon, purchased from the distributor, supplier,
14 or other reseller.

15 Before July 1, 2000 and then beginning on January 1, 2001
16 and through June 30, 2001 thereafter, the Retailers'
17 Occupation Tax paid to the distributor, supplier, or other
18 reseller shall be an amount equal to \$0.04 per gallon of the
19 motor fuel, except gasohol as defined in Section 2-10 of this
20 Act which shall be an amount equal to \$0.03 per gallon,
21 purchased from the distributor, supplier, or other reseller.

22 Beginning on July 1, 2001, the Retailers' Occupation Tax
23 paid to the distributor, supplier, or other reseller shall be
24 an amount equal to \$0.01 per gallon of the motor fuel
25 purchased from the distributor, supplier, or other reseller.

26 Any person engaged in the business of selling motor fuel
27 at retail shall be entitled to a credit against tax due under
28 this Act in an amount equal to the tax paid to the
29 distributor, supplier, or other reseller.

30 Every distributor, supplier, or other reseller registered
31 as provided in Section 2a or Section 2c of this Act shall
32 remit the prepaid tax on all motor fuel that is due from any
33 person engaged in the business of selling at retail motor
34 fuel with the returns filed under Section 2f or Section 3 of

1 this Act, but the vendors discount provided in Section 3
 2 shall not apply to the amount of prepaid tax that is
 3 remitted. Any distributor or supplier who fails to properly
 4 collect and remit the tax shall be liable for the tax. For
 5 purposes of this Section, the prepaid tax is due on invoiced
 6 gallons sold during a month by the 20th day of the following
 7 month.

8 (Source: P.A. 91-872, eff. 7-1-00.)

9 (35 ILCS 120/3) (from Ch. 120, par. 442)

10 Sec. 3. Except as provided in this Section, on or before
 11 the twentieth day of each calendar month, every person
 12 engaged in the business of selling tangible personal property
 13 at retail in this State during the preceding calendar month
 14 shall file a return with the Department, stating:

- 15 1. The name of the seller;
- 16 2. His residence address and the address of his
 17 principal place of business and the address of the
 18 principal place of business (if that is a different
 19 address) from which he engages in the business of selling
 20 tangible personal property at retail in this State;
- 21 3. Total amount of receipts received by him during
 22 the preceding calendar month or quarter, as the case may
 23 be, from sales of tangible personal property, and from
 24 services furnished, by him during such preceding calendar
 25 month or quarter;
- 26 4. Total amount received by him during the
 27 preceding calendar month or quarter on charge and time
 28 sales of tangible personal property, and from services
 29 furnished, by him prior to the month or quarter for which
 30 the return is filed;
- 31 5. Deductions allowed by law;
- 32 6. Gross receipts which were received by him during
 33 the preceding calendar month or quarter and upon the

1 basis of which the tax is imposed;

2 7. The amount of credit provided in Section 2d of
3 this Act;

4 8. The amount of tax due;

5 9. The signature of the taxpayer; and

6 10. Such other reasonable information as the
7 Department may require.

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

12 Each return shall be accompanied by the statement of
13 prepaid tax issued pursuant to Section 2e for which credit is
14 claimed.

15 A retailer may accept a Manufacturer's Purchase Credit
16 certification from a purchaser in satisfaction of Use Tax as
17 provided in Section 3-85 of the Use Tax Act if the purchaser
18 provides the appropriate documentation as required by Section
19 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
20 certification, accepted by a retailer as provided in Section
21 3-85 of the Use Tax Act, may be used by that retailer to
22 satisfy Retailers' Occupation Tax liability in the amount
23 claimed in the certification, not to exceed 6.25% of the
24 receipts subject to tax from a qualifying purchase.

25 The Department may require returns to be filed on a
26 quarterly basis. If so required, a return for each calendar
27 quarter shall be filed on or before the twentieth day of the
28 calendar month following the end of such calendar quarter.
29 The taxpayer shall also file a return with the Department for
30 each of the first two months of each calendar quarter, on or
31 before the twentieth day of the following calendar month,
32 stating:

33 1. The name of the seller;

34 2. The address of the principal place of business

1 from which he engages in the business of selling tangible
2 personal property at retail in this State;

3 3. The total amount of taxable receipts received by
4 him during the preceding calendar month from sales of
5 tangible personal property by him during such preceding
6 calendar month, including receipts from charge and time
7 sales, but less all deductions allowed by law;

8 4. The amount of credit provided in Section 2d of
9 this Act;

10 5. The amount of tax due; and

11 6. Such other reasonable information as the
12 Department may require.

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

17 Beginning October 1, 1993, a taxpayer who has an average
18 monthly tax liability of \$150,000 or more shall make all
19 payments required by rules of the Department by electronic
20 funds transfer. Beginning October 1, 1994, a taxpayer who
21 has an average monthly tax liability of \$100,000 or more
22 shall make all payments required by rules of the Department
23 by electronic funds transfer. Beginning October 1, 1995, a
24 taxpayer who has an average monthly tax liability of \$50,000
25 or more shall make all payments required by rules of the
26 Department by electronic funds transfer. Beginning October
27 1, 2000, a taxpayer who has an annual tax liability of
28 \$200,000 or more shall make all payments required by rules of
29 the Department by electronic funds transfer. The term
30 "annual tax liability" shall be the sum of the taxpayer's
31 liabilities under this Act, and under all other State and
32 local occupation and use tax laws administered by the
33 Department, for the immediately preceding calendar year. The
34 term "average monthly tax liability" shall be the sum of the

1 taxpayer's liabilities under this Act, and under all other
2 State and local occupation and use tax laws administered by
3 the Department, for the immediately preceding calendar year
4 divided by 12.

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

11 Any taxpayer not required to make payments by electronic
12 funds transfer may make payments by electronic funds transfer
13 with the permission of the Department.

14 All taxpayers required to make payment by electronic
15 funds transfer and any taxpayers authorized to voluntarily
16 make payments by electronic funds transfer shall make those
17 payments in the manner authorized by the Department.

18 The Department shall adopt such rules as are necessary to
19 effectuate a program of electronic funds transfer and the
20 requirements of this Section.

21 Any amount which is required to be shown or reported on
22 any return or other document under this Act shall, if such
23 amount is not a whole-dollar amount, be increased to the
24 nearest whole-dollar amount in any case where the fractional
25 part of a dollar is 50 cents or more, and decreased to the
26 nearest whole-dollar amount where the fractional part of a
27 dollar is less than 50 cents.

28 If the retailer is otherwise required to file a monthly
29 return and if the retailer's average monthly tax liability to
30 the Department does not exceed \$200, the Department may
31 authorize his returns to be filed on a quarter annual basis,
32 with the return for January, February and March of a given
33 year being due by April 20 of such year; with the return for
34 April, May and June of a given year being due by July 20 of

1 such year; with the return for July, August and September of
2 a given year being due by October 20 of such year, and with
3 the return for October, November and December of a given year
4 being due by January 20 of the following year.

5 If the retailer is otherwise required to file a monthly
6 or quarterly return and if the retailer's average monthly tax
7 liability with the Department does not exceed \$50, the
8 Department may authorize his returns to be filed on an annual
9 basis, with the return for a given year being due by January
10 20 of the following year.

11 Such quarter annual and annual returns, as to form and
12 substance, shall be subject to the same requirements as
13 monthly returns.

14 Notwithstanding any other provision in this Act
15 concerning the time within which a retailer may file his
16 return, in the case of any retailer who ceases to engage in a
17 kind of business which makes him responsible for filing
18 returns under this Act, such retailer shall file a final
19 return under this Act with the Department not more than one
20 month after discontinuing such business.

21 Where the same person has more than one business
22 registered with the Department under separate registrations
23 under this Act, such person may not file each return that is
24 due as a single return covering all such registered
25 businesses, but shall file separate returns for each such
26 registered business.

27 In addition, with respect to motor vehicles, watercraft,
28 aircraft, and trailers that are required to be registered
29 with an agency of this State, every retailer selling this
30 kind of tangible personal property shall file, with the
31 Department, upon a form to be prescribed and supplied by the
32 Department, a separate return for each such item of tangible
33 personal property which the retailer sells, except that if,
34 in the same transaction, (i) a retailer of aircraft,

1 watercraft, motor vehicles or trailers transfers more than
2 one aircraft, watercraft, motor vehicle or trailer to another
3 aircraft, watercraft, motor vehicle retailer or trailer
4 retailer for the purpose of resale or (ii) a retailer of
5 aircraft, watercraft, motor vehicles, or trailers transfers
6 more than one aircraft, watercraft, motor vehicle, or trailer
7 to a purchaser for use as a qualifying rolling stock as
8 provided in Section 2-5 of this Act, then that seller may
9 report the transfer of all aircraft, watercraft, motor
10 vehicles or trailers involved in that transaction to the
11 Department on the same uniform invoice-transaction reporting
12 return form. For purposes of this Section, "watercraft"
13 means a Class 2, Class 3, or Class 4 watercraft as defined in
14 Section 3-2 of the Boat Registration and Safety Act, a
15 personal watercraft, or any boat equipped with an inboard
16 motor.

17 Any retailer who sells only motor vehicles, watercraft,
18 aircraft, or trailers that are required to be registered with
19 an agency of this State, so that all retailers' occupation
20 tax liability is required to be reported, and is reported, on
21 such transaction reporting returns and who is not otherwise
22 required to file monthly or quarterly returns, need not file
23 monthly or quarterly returns. However, those retailers shall
24 be required to file returns on an annual basis.

25 The transaction reporting return, in the case of motor
26 vehicles or trailers that are required to be registered with
27 an agency of this State, shall be the same document as the
28 Uniform Invoice referred to in Section 5-402 of The Illinois
29 Vehicle Code and must show the name and address of the
30 seller; the name and address of the purchaser; the amount of
31 the selling price including the amount allowed by the
32 retailer for traded-in property, if any; the amount allowed
33 by the retailer for the traded-in tangible personal property,
34 if any, to the extent to which Section 1 of this Act allows

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

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

29 Such transaction reporting return shall be filed not
30 later than 20 days after the day of delivery of the item that
31 is being sold, but may be filed by the retailer at any time
32 sooner than that if he chooses to do so. The transaction
33 reporting return and tax remittance or proof of exemption
34 from the Illinois use tax may be transmitted to the

1 Department by way of the State agency with which, or State
2 officer with whom the tangible personal property must be
3 titled or registered (if titling or registration is required)
4 if the Department and such agency or State officer determine
5 that this procedure will expedite the processing of
6 applications for title or registration.

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

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

28 If the user who would otherwise pay tax to the retailer
29 wants the transaction reporting return filed and the payment
30 of the tax or proof of exemption made to the Department
31 before the retailer is willing to take these actions and such
32 user has not paid the tax to the retailer, such user may
33 certify to the fact of such delay by the retailer and may
34 (upon the Department being satisfied of the truth of such

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

13 Refunds made by the seller during the preceding return
14 period to purchasers, on account of tangible personal
15 property returned to the seller, shall be allowed as a
16 deduction under subdivision 5 of his monthly or quarterly
17 return, as the case may be, in case the seller had
18 theretofore included the receipts from the sale of such
19 tangible personal property in a return filed by him and had
20 paid the tax imposed by this Act with respect to such
21 receipts.

22 Where the seller is a corporation, the return filed on
23 behalf of such corporation shall be signed by the president,
24 vice-president, secretary or treasurer or by the properly
25 accredited agent of such corporation.

26 Where the seller is a limited liability company, the
27 return filed on behalf of the limited liability company shall
28 be signed by a manager, member, or properly accredited agent
29 of the limited liability company.

30 Except as provided in this Section, the retailer filing
31 the return under this Section shall, at the time of filing
32 such return, pay to the Department the amount of tax imposed
33 by this Act less a discount of 2.1% prior to January 1, 1990
34 and 1.75% on and after January 1, 1990, or \$5 per calendar

1 year, whichever is greater, which is allowed to reimburse the
2 retailer for the expenses incurred in keeping records,
3 preparing and filing returns, remitting the tax and supplying
4 data to the Department on request. Any prepayment made
5 pursuant to Section 2d of this Act shall be included in the
6 amount on which such 2.1% or 1.75% discount is computed. In
7 the case of retailers who report and pay the tax on a
8 transaction by transaction basis, as provided in this
9 Section, such discount shall be taken with each such tax
10 remittance instead of when such retailer files his periodic
11 return.

12 Before October 1, 2000, if the taxpayer's average monthly
13 tax liability to the Department under this Act, the Use Tax
14 Act, the Service Occupation Tax Act, and the Service Use Tax
15 Act, excluding any liability for prepaid sales tax to be
16 remitted in accordance with Section 2d of this Act, was
17 \$10,000 or more during the preceding 4 complete calendar
18 quarters, he shall file a return with the Department each
19 month by the 20th day of the month next following the month
20 during which such tax liability is incurred and shall make
21 payments to the Department on or before the 7th, 15th, 22nd
22 and last day of the month during which such liability is
23 incurred. On and after October 1, 2000, if the taxpayer's
24 average monthly tax liability to the Department under this
25 Act, the Use Tax Act, the Service Occupation Tax Act, and the
26 Service Use Tax Act, excluding any liability for prepaid
27 sales tax to be remitted in accordance with Section 2d of
28 this Act, was \$20,000 or more during the preceding 4 complete
29 calendar quarters, he shall file a return with the Department
30 each month by the 20th day of the month next following the
31 month during which such tax liability is incurred and shall
32 make payment to the Department on or before the 7th, 15th,
33 22nd and last day of the month during which such liability is
34 incurred. If the month during which such tax liability is

1 incurred began prior to January 1, 1985, each payment shall
2 be in an amount equal to 1/4 of the taxpayer's actual
3 liability for the month or an amount set by the Department
4 not to exceed 1/4 of the average monthly liability of the
5 taxpayer to the Department for the preceding 4 complete
6 calendar quarters (excluding the month of highest liability
7 and the month of lowest liability in such 4 quarter period).
8 If the month during which such tax liability is incurred
9 begins on or after January 1, 1985 and prior to January 1,
10 1987, each payment shall be in an amount equal to 22.5% of
11 the taxpayer's actual liability for the month or 27.5% of the
12 taxpayer's liability for the same calendar month of the
13 preceding year. If the month during which such tax liability
14 is incurred begins on or after January 1, 1987 and prior to
15 January 1, 1988, each payment shall be in an amount equal to
16 22.5% of the taxpayer's actual liability for the month or
17 26.25% of the taxpayer's liability for the same calendar
18 month of the preceding year. If the month during which such
19 tax liability is incurred begins on or after January 1, 1988,
20 and prior to January 1, 1989, or begins on or after January
21 1, 1996, each payment shall be in an amount equal to 22.5% of
22 the taxpayer's actual liability for the month or 25% of the
23 taxpayer's liability for the same calendar month of the
24 preceding year. If the month during which such tax liability
25 is incurred begins on or after January 1, 1989, and prior to
26 January 1, 1996, each payment shall be in an amount equal to
27 22.5% of the taxpayer's actual liability for the month or 25%
28 of the taxpayer's liability for the same calendar month of
29 the preceding year or 100% of the taxpayer's actual liability
30 for the quarter monthly reporting period. The amount of such
31 quarter monthly payments shall be credited against the final
32 tax liability of the taxpayer's return for that month.
33 Before October 1, 2000, once applicable, the requirement of
34 the making of quarter monthly payments to the Department by

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

1 unless it finds that such change is seasonal in nature and
2 not likely to be long term. If any such quarter monthly
3 payment is not paid at the time or in the amount required by
4 this Section, then the taxpayer shall be liable for penalties
5 and interest on the difference between the minimum amount due
6 as a payment and the amount of such quarter monthly payment
7 actually and timely paid, except insofar as the taxpayer has
8 previously made payments for that month to the Department in
9 excess of the minimum payments previously due as provided in
10 this Section. The Department shall make reasonable rules and
11 regulations to govern the quarter monthly payment amount and
12 quarter monthly payment dates for taxpayers who file on other
13 than a calendar monthly basis.

14 Without regard to whether a taxpayer is required to make
15 quarter monthly payments as specified above, any taxpayer who
16 is required by Section 2d of this Act to collect and remit
17 prepaid taxes and has collected prepaid taxes which average
18 in excess of \$25,000 per month during the preceding 2
19 complete calendar quarters, shall file a return with the
20 Department as required by Section 2f and shall make payments
21 to the Department on or before the 7th, 15th, 22nd and last
22 day of the month during which such liability is incurred. If
23 the month during which such tax liability is incurred began
24 prior to the effective date of this amendatory Act of 1985,
25 each payment shall be in an amount not less than 22.5% of the
26 taxpayer's actual liability under Section 2d. If the month
27 during which such tax liability is incurred begins on or
28 after January 1, 1986, each payment shall be in an amount
29 equal to 22.5% of the taxpayer's actual liability for the
30 month or 27.5% of the taxpayer's liability for the same
31 calendar month of the preceding calendar year. If the month
32 during which such tax liability is incurred begins on or
33 after January 1, 1987, each payment shall be in an amount
34 equal to 22.5% of the taxpayer's actual liability for the

1 month or 26.25% of the taxpayer's liability for the same
2 calendar month of the preceding year. The amount of such
3 quarter monthly payments shall be credited against the final
4 tax liability of the taxpayer's return for that month filed
5 under this Section or Section 2f, as the case may be. Once
6 applicable, the requirement of the making of quarter monthly
7 payments to the Department pursuant to this paragraph shall
8 continue until such taxpayer's average monthly prepaid tax
9 collections during the preceding 2 complete calendar quarters
10 is \$25,000 or less. If any such quarter monthly payment is
11 not paid at the time or in the amount required, the taxpayer
12 shall be liable for penalties and interest on such
13 difference, except insofar as the taxpayer has previously
14 made payments for that month in excess of the minimum
15 payments previously due.

16 If any payment provided for in this Section exceeds the
17 taxpayer's liabilities under this Act, the Use Tax Act, the
18 Service Occupation Tax Act and the Service Use Tax Act, as
19 shown on an original monthly return, the Department shall, if
20 requested by the taxpayer, issue to the taxpayer a credit
21 memorandum no later than 30 days after the date of payment.
22 The credit evidenced by such credit memorandum may be
23 assigned by the taxpayer to a similar taxpayer under this
24 Act, the Use Tax Act, the Service Occupation Tax Act or the
25 Service Use Tax Act, in accordance with reasonable rules and
26 regulations to be prescribed by the Department. If no such
27 request is made, the taxpayer may credit such excess payment
28 against tax liability subsequently to be remitted to the
29 Department under this Act, the Use Tax Act, the Service
30 Occupation Tax Act or the Service Use Tax Act, in accordance
31 with reasonable rules and regulations prescribed by the
32 Department. If the Department subsequently determined that
33 all or any part of the credit taken was not actually due to
34 the taxpayer, the taxpayer's 2.1% and 1.75% vendor's discount

1 shall be reduced by 2.1% or 1.75% of the difference between
2 the credit taken and that actually due, and that taxpayer
3 shall be liable for penalties and interest on such
4 difference.

5 If a retailer of motor fuel is entitled to a credit under
6 Section 2d of this Act which exceeds the taxpayer's liability
7 to the Department under this Act for the month which the
8 taxpayer is filing a return, the Department shall issue the
9 taxpayer a credit memorandum for the excess.

10 Beginning January 1, 1990, each month the Department
11 shall pay into the Local Government Tax Fund, a special fund
12 in the State treasury which is hereby created, the net
13 revenue realized for the preceding month from the 1% tax on
14 sales of food for human consumption which is to be consumed
15 off the premises where it is sold (other than alcoholic
16 beverages, soft drinks and food which has been prepared for
17 immediate consumption) and prescription and nonprescription
18 medicines, drugs, medical appliances and insulin, urine
19 testing materials, syringes and needles used by diabetics.

20 Beginning January 1, 1990, each month the Department
21 shall pay into the County and Mass Transit District Fund, a
22 special fund in the State treasury which is hereby created,
23 4% of the net revenue realized for the preceding month from
24 the 6.25% general rate.

25 Beginning August 1, 2000, and, beginning again on August
26 1, 2001, each month the Department shall pay into the County
27 and Mass Transit District Fund 20% of the net revenue
28 realized for the preceding month from the 1.25% rate on the
29 selling price of motor fuel and gasohol.

30 Beginning January 1, 1990, each month the Department
31 shall pay into the Local Government Tax Fund 16% of the net
32 revenue realized for the preceding month from the 6.25%
33 general rate on the selling price of tangible personal
34 property.

1 Beginning August 1, 2000, and, beginning again on August
 2 1, 2001, each month the Department shall pay into the Local
 3 Government Tax Fund 80% of the net revenue realized for the
 4 preceding month from the 1.25% rate on the selling price of
 5 motor fuel and gasohol.

6 Of the remainder of the moneys received by the Department
 7 pursuant to this Act, (a) 1.75% thereof shall be paid into
 8 the Build Illinois Fund and (b) prior to July 1, 1989, 2.2%
 9 and on and after July 1, 1989, 3.8% thereof shall be paid
 10 into the Build Illinois Fund; provided, however, that if in
 11 any fiscal year the sum of (1) the aggregate of 2.2% or 3.8%,
 12 as the case may be, of the moneys received by the Department
 13 and required to be paid into the Build Illinois Fund pursuant
 14 to this Act, Section 9 of the Use Tax Act, Section 9 of the
 15 Service Use Tax Act, and Section 9 of the Service Occupation
 16 Tax Act, such Acts being hereinafter called the "Tax Acts"
 17 and such aggregate of 2.2% or 3.8%, as the case may be, of
 18 moneys being hereinafter called the "Tax Act Amount", and (2)
 19 the amount transferred to the Build Illinois Fund from the
 20 State and Local Sales Tax Reform Fund shall be less than the
 21 Annual Specified Amount (as hereinafter defined), an amount
 22 equal to the difference shall be immediately paid into the
 23 Build Illinois Fund from other moneys received by the
 24 Department pursuant to the Tax Acts; the "Annual Specified
 25 Amount" means the amounts specified below for fiscal years
 26 1986 through 1993:

Fiscal Year	Annual Specified Amount
1986	\$54,800,000
1987	\$76,650,000
1988	\$80,480,000
1989	\$88,510,000
1990	\$115,330,000
1991	\$145,470,000
1992	\$182,730,000

1 1993 \$206,520,000;

2 and means the Certified Annual Debt Service Requirement (as

3 defined in Section 13 of the Build Illinois Bond Act) or the

4 Tax Act Amount, whichever is greater, for fiscal year 1994

5 and each fiscal year thereafter; and further provided, that

6 if on the last business day of any month the sum of (1) the

7 Tax Act Amount required to be deposited into the Build

8 Illinois Bond Account in the Build Illinois Fund during such

9 month and (2) the amount transferred to the Build Illinois

10 Fund from the State and Local Sales Tax Reform Fund shall

11 have been less than 1/12 of the Annual Specified Amount, an

12 amount equal to the difference shall be immediately paid into

13 the Build Illinois Fund from other moneys received by the

14 Department pursuant to the Tax Acts; and, further provided,

15 that in no event shall the payments required under the

16 preceding proviso result in aggregate payments into the Build

17 Illinois Fund pursuant to this clause (b) for any fiscal year

18 in excess of the greater of (i) the Tax Act Amount or (ii)

19 the Annual Specified Amount for such fiscal year. The

20 amounts payable into the Build Illinois Fund under clause (b)

21 of the first sentence in this paragraph shall be payable only

22 until such time as the aggregate amount on deposit under each

23 trust indenture securing Bonds issued and outstanding

24 pursuant to the Build Illinois Bond Act is sufficient, taking

25 into account any future investment income, to fully provide,

26 in accordance with such indenture, for the defeasance of or

27 the payment of the principal of, premium, if any, and

28 interest on the Bonds secured by such indenture and on any

29 Bonds expected to be issued thereafter and all fees and costs

30 payable with respect thereto, all as certified by the

31 Director of the Bureau of the Budget. If on the last

32 business day of any month in which Bonds are outstanding

33 pursuant to the Build Illinois Bond Act, the aggregate of

34 moneys deposited in the Build Illinois Bond Account in the

1 Build Illinois Fund in such month shall be less than the
 2 amount required to be transferred in such month from the
 3 Build Illinois Bond Account to the Build Illinois Bond
 4 Retirement and Interest Fund pursuant to Section 13 of the
 5 Build Illinois Bond Act, an amount equal to such deficiency
 6 shall be immediately paid from other moneys received by the
 7 Department pursuant to the Tax Acts to the Build Illinois
 8 Fund; provided, however, that any amounts paid to the Build
 9 Illinois Fund in any fiscal year pursuant to this sentence
 10 shall be deemed to constitute payments pursuant to clause (b)
 11 of the first sentence of this paragraph and shall reduce the
 12 amount otherwise payable for such fiscal year pursuant to
 13 that clause (b). The moneys received by the Department
 14 pursuant to this Act and required to be deposited into the
 15 Build Illinois Fund are subject to the pledge, claim and
 16 charge set forth in Section 12 of the Build Illinois Bond
 17 Act.

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

Fiscal Year	Total Deposit
1993	\$0
1994	53,000,000
1995	58,000,000

1	1996	61,000,000
2	1997	64,000,000
3	1998	68,000,000
4	1999	71,000,000
5	2000	75,000,000
6	2001	80,000,000
7	2002	84,000,000
8	2003	89,000,000
9	2004	93,000,000
10	2005	97,000,000
11	2006	102,000,000
12	2007	108,000,000
13	2008	115,000,000
14	2009	120,000,000
15	2010	126,000,000
16	2011	132,000,000
17	2012	138,000,000
18	2013 and	145,000,000

19 each fiscal year
20 thereafter that bonds
21 are outstanding under
22 Section 13.2 of the
23 Metropolitan Pier and
24 Exposition Authority
25 Act, but not after fiscal year 2029.

26 Beginning July 20, 1993 and in each month of each fiscal
27 year thereafter, one-eighth of the amount requested in the
28 certificate of the Chairman of the Metropolitan Pier and
29 Exposition Authority for that fiscal year, less the amount
30 deposited into the McCormick Place Expansion Project Fund by
31 the State Treasurer in the respective month under subsection
32 (g) of Section 13 of the Metropolitan Pier and Exposition
33 Authority Act, plus cumulative deficiencies in the deposits
34 required under this Section for previous months and years,

1 shall be deposited into the McCormick Place Expansion Project
2 Fund, until the full amount requested for the fiscal year,
3 but not in excess of the amount specified above as "Total
4 Deposit", has been deposited.

5 Subject to payment of amounts into the Build Illinois
6 Fund and the McCormick Place Expansion Project Fund pursuant
7 to the preceding paragraphs or in any amendment thereto
8 hereafter enacted, each month the Department shall pay into
9 the Local Government Distributive Fund 0.4% of the net
10 revenue realized for the preceding month from the 5% general
11 rate or 0.4% of 80% of the net revenue realized for the
12 preceding month from the 6.25% general rate, as the case may
13 be, on the selling price of tangible personal property which
14 amount shall, subject to appropriation, be distributed as
15 provided in Section 2 of the State Revenue Sharing Act. No
16 payments or distributions pursuant to this paragraph shall be
17 made if the tax imposed by this Act on photoprocessing
18 products is declared unconstitutional, or if the proceeds
19 from such tax are unavailable for distribution because of
20 litigation.

21 Subject to payment of amounts into the Build Illinois
22 Fund, the McCormick Place Expansion Project to the preceding
23 paragraphs or in any amendments thereto hereafter enacted,
24 beginning July 1, 1993, the Department shall each month pay
25 into the Illinois Tax Increment Fund 0.27% of 80% of the net
26 revenue realized for the preceding month from the 6.25%
27 general rate on the selling price of tangible personal
28 property.

29 Of the remainder of the moneys received by the Department
30 pursuant to this Act, 75% thereof shall be paid into the
31 State Treasury and 25% shall be reserved in a special account
32 and used only for the transfer to the Common School Fund as
33 part of the monthly transfer from the General Revenue Fund in
34 accordance with Section 8a of the State Finance Act.

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

24 If the annual information return required by this Section
25 is not filed when and as required, the taxpayer shall be
26 liable as follows:

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

34 (ii) On and after January 1, 1994, the taxpayer

1 shall be liable for a penalty as described in Section 3-4
2 of the Uniform Penalty and Interest Act.

3 The chief executive officer, proprietor, owner or highest
4 ranking manager shall sign the annual return to certify the
5 accuracy of the information contained therein. Any person
6 who willfully signs the annual return containing false or
7 inaccurate information shall be guilty of perjury and
8 punished accordingly. The annual return form prescribed by
9 the Department shall include a warning that the person
10 signing the return may be liable for perjury.

11 The provisions of this Section concerning the filing of
12 an annual information return do not apply to a retailer who
13 is not required to file an income tax return with the United
14 States Government.

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

23 Net revenue realized for a month shall be the revenue
24 collected by the State pursuant to this Act, less the amount
25 paid out during that month as refunds to taxpayers for
26 overpayment of liability.

27 For greater simplicity of administration, manufacturers,
28 importers and wholesalers whose products are sold at retail
29 in Illinois by numerous retailers, and who wish to do so, may
30 assume the responsibility for accounting and paying to the
31 Department all tax accruing under this Act with respect to
32 such sales, if the retailers who are affected do not make
33 written objection to the Department to this arrangement.

34 Any person who promotes, organizes, provides retail

1 selling space for concessionaires or other types of sellers
2 at the Illinois State Fair, DuQuoin State Fair, county fairs,
3 local fairs, art shows, flea markets and similar exhibitions
4 or events, including any transient merchant as defined by
5 Section 2 of the Transient Merchant Act of 1987, is required
6 to file a report with the Department providing the name of
7 the merchant's business, the name of the person or persons
8 engaged in merchant's business, the permanent address and
9 Illinois Retailers Occupation Tax Registration Number of the
10 merchant, the dates and location of the event and other
11 reasonable information that the Department may require. The
12 report must be filed not later than the 20th day of the month
13 next following the month during which the event with retail
14 sales was held. Any person who fails to file a report
15 required by this Section commits a business offense and is
16 subject to a fine not to exceed \$250.

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

1 the absence of notification by the Department, the
2 concessionaires and other sellers shall file their returns as
3 otherwise required in this Section.

4 (Source: P.A. 90-491, eff. 1-1-99; 90-612, eff. 7-8-98;
5 91-37, eff. 7-1-99; 91-51, eff. 6-30-99; 91-101, eff.
6 7-12-99; 91-541, eff. 8-13-99; 91-872, eff. 7-1-00; 91-901,
7 eff. 1-1-01; revised 8-30-00.)

8 Section 30. The Motor Fuel Tax Law is amended by
9 changing Section 13a as follows:

10 (35 ILCS 505/13a) (from Ch. 120, par. 429a)

11 Sec. 13a. (1) A tax is hereby imposed upon the use of
12 motor fuel upon highways of this State by commercial motor
13 vehicles. The tax shall be comprised of 2 parts. Part (a)
14 shall be at the rate established by Section 2 of this Act, as
15 heretofore or hereafter amended. Part (b) shall be at the
16 rate established by subsection (2) of this Section as now or
17 hereafter amended.

18 (2) A rate shall be established by the Department as of
19 January 1 of each year through the year 2001 using the
20 average "selling price", as defined in the Retailers'
21 Occupation Tax Act, per gallon of motor fuel sold in this
22 State during the previous 12 months and multiplying it by 6
23 1/4% to determine the cents per gallon rate. For the period
24 beginning on July 1, 2000 and through December 31, 2000, the
25 Department shall establish a rate using the average "selling
26 price", as defined in the Retailers' Occupation Tax Act, per
27 gallon of motor fuel sold in this State during calendar year
28 1999 and multiplying it by 1.25% to determine the cents per
29 gallon rate. For the period beginning on July 1, 2001 and
30 through December 31, 2001, the Department shall establish a
31 rate using the average selling price per gallon of motor fuel
32 sold in this State during calendar year 2000 and multiplying

1 it by 1.25% to determine the cents per gallon rate.
2 Beginning in 2002, a rate shall be established by the
3 Department as of January 1 of each year using the average
4 selling price per gallon of motor fuel sold in this State
5 during the previous 12 months and multiplying it by 1.25% to
6 determine the cents per gallon rate.

7 (Source: P.A. 91-872, eff. 7-1-00.)

8 Section 99. Effective date. This Act takes effect upon
9 becoming law.