



Rep. Kam Buckner

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LRB104 04808 HLH 37048 a

1 AMENDMENT TO HOUSE BILL 910

2 AMENDMENT NO. _____. Amend House Bill 910 by replacing
3 everything after the enacting clause with the following:

4 "ARTICLE 1

5 Section 1-1. Short title. This Act may be cited as the
6 Capital Area Tourism Authority Act. References in this Article
7 to "this Act" mean this Article.

8 Section 1-5. Findings; purpose.

9 (a) The General Assembly finds and declares that:

10 (1) The City of Springfield is the capital city of the
11 State of Illinois and the home of President Abraham
12 Lincoln.

13 (2) The City of Springfield and Sangamon County
14 welcome visitors from around the world and are the
15 cornerstone of State government.

1 (b) The purpose of this Act is to ensure that the City of
2 Springfield has a vibrant hospitality industry that is capable
3 of hosting visitors, legislative advocates, and those doing
4 business with the State.

5 Section 1-10. Definitions. In this Act:

6 "Authority" means the Capital Area Tourism Authority
7 established by this Act.

8 "Base year" means the calendar year immediately before the
9 calendar year in which the STAR bond project is approved under
10 this Act.

11 "Board" means the Board of Trustees of the Authority.

12 "Hotel operator" has the meaning given to that term in the
13 Hotel Operators' Occupation Tax Act.

14 "Local sales taxes" has the meaning given to that term in
15 the Statewide Innovation Development and Economy Act, except
16 that, with respect to locally imposed taxes received by the
17 City of Springfield, "local sales taxes" shall be limited to
18 50% of that portion of the tax arising from sales by retailers
19 and servicemen within the territory of the Authority that is
20 in excess of the aggregate local sales tax in the territory for
21 the same month in the base year, as determined by the
22 municipality.

23 "Master developer" has the meaning given to that term in
24 the Statewide Innovation Development and Economy Act.

25 "Project costs" has the meaning given to that term in the

1 Statewide Innovation Development and Economy Act.

2 "STAR bond district" has the meaning given to that term in
3 the Statewide Innovation Development and Economy Act.

4 "STAR bond project" has the meaning given to that term in
5 the Statewide Innovation Development and Economy Act.

6 Section 1-15. Creation of the Authority. The Capital Area
7 Tourism Authority is hereby created as a political subdivision
8 and unit of local government for the benefit of the general
9 public and the promotion of business, industry, commerce, and
10 tourism in the City of Springfield, Sangamon County, and the
11 State of Illinois. The Authority shall have only those powers
12 described in Section 1-20 of this Act, and its territorial
13 jurisdiction shall extend over all territory in the City of
14 Springfield that is coterminous with the 62701 zip code.

15 Section 1-20. Powers and duties of the Authority.

16 (a) If and only if the Sangamon County Board, by
17 ordinance, imposes a tax under subsection (b-5) of Section
18 5-1030 of the Counties Code on all hotel operators who engage
19 in business as a hotel operator within any STAR bond district
20 that is established in the territory of the Authority, and if
21 the Sangamon County Board also resolves that all of the
22 revenue generated from the tax under subsection (b-5) of
23 Section 5-1030 of the Counties Code and all of the tax receipts
24 generated from local sales taxes within the STAR bond district

1 shall be dedicated to the payment of the project costs for any
2 STAR bond project in the district and shall be considered
3 pledged STAR revenues under the Statewide Innovation
4 Development and Economy Act, then the Authority may exercise
5 the powers set forth in subsection (c) as well as those powers
6 ordinarily authorized by law for a political subdivision for
7 the purposes described in subsection (b).

8 (b) The Authority shall use the powers conferred on it
9 under this Section to assist in the development, construction,
10 and acquisition of industrial or commercial projects within
11 its territorial jurisdiction and to promote business,
12 industry, commerce, and tourism within Sangamon County and the
13 State of Illinois.

14 (c) If and only if the conditions described in subsection
15 (a) are satisfied, then the Authority shall possess all powers
16 of a body politic or municipal corporation necessary and
17 convenient to accomplish the purpose of this Act, including,
18 but not limited to, the power:

19 (1) to exercise all of the powers afforded to a
20 political subdivision pursuant to Section 5-100 of the
21 Statewide Innovation Development and Economy Act in
22 connection with a STAR bond district, including, but not
23 limited to, establishing a STAR bond district and issuing
24 STAR bonds to finance a STAR bond project;

25 (2) to enter into loans, contracts, agreements, and
26 mortgages;

1 (3) to acquire by purchase, donation, or lease; to
2 own, convey, lease, sell, mortgage, or otherwise dispose
3 of interests in and to real or personal property; and to
4 grant or acquire licenses, easements, and options with
5 respect to property;

6 (4) to sue and be sued;

7 (5) to employ agents and employees necessary to carry
8 out this Act's purposes;

9 (6) to have, use, and alter a common seal;

10 (7) to acquire, own, construct, equip, finance, lease,
11 operate, and maintain grounds, buildings, facilities,
12 property or any portion of a building, facility, or
13 property owned or leased by the Authority to carry out the
14 purposes and duties of this Act and to fix, charge, and
15 collect fees, rents, and charges for the use of any
16 building, facility, property or portion thereof;

17 (8) to adopt all ordinances, resolutions, by-laws,
18 rules, and regulations necessary or proper to carry into
19 effect the purpose of this Act and the powers granted to
20 the Authority;

21 (9) to apply for, accept, and expend grants,
22 appropriations, guarantees, donations of property or
23 labor, or any other thing of value;

24 (10) to exercise the right of eminent domain by
25 condemnation proceedings in the manner provided by the
26 Eminent Domain Act;

1 (11) to finance, construct, equip, own, operate, and
2 maintain any STAR bond project and to determine and direct
3 the use of the local tax contribution and the State tax
4 contribution for the approved STAR bond projects in the
5 STAR bond district;

6 (12) to pay or cause to be paid STAR bond project costs
7 and the principal and interest of any revenue bonds issued
8 by the Authority;

9 (13) to borrow money and to issue revenue bonds,
10 notes, or other evidences of indebtedness as provided for
11 in the Statewide Innovation Development and Economy Act;
12 and

13 (14) to exercise any and all other powers necessary to
14 effectuate the purposes of this Act.

15 Section 1-25. Board members; officers; governance.

16 (a) The governing and administrative powers of the
17 Authority shall be vested in its Board, which shall consist of
18 5 members appointed as follows:

19 (1) 3 members appointed by the Sangamon County Board;

20 (2) one member appointed by the Springfield City
21 Council; and

22 (3) one member appointed by the Springfield
23 Metropolitan Exposition and Auditorium Authority.

24 (b) All persons appointed as members of the Board shall be
25 residents of Sangamon County and shall have recognized ability

1 and experience in one or more of the following areas: economic
2 development, finance, banking, commercial development, small
3 business management, real estate development, community
4 development, organized labor, units of local government, or
5 civic, community, or neighborhood organization.

6 (c) The Chairperson of the Board shall be selected by a
7 majority vote of the Board.

8 (d) The Sangamon County Board may remove any member of the
9 Board in case of incompetency, neglect of duty, or malfeasance
10 in office by a simple majority vote.

11 (e) Members of the Board shall hold office until their
12 respective successors have been appointed. Any member may
13 resign from his or her office. Vacancies shall be filled in the
14 same manner as original appointments.

15 (f) Members of the Board shall serve without compensation
16 for their services as members but may be reimbursed for all
17 necessary expenses incurred in connection with the performance
18 of their duties as members.

19 (g) The Board shall hold meetings quarterly or upon the
20 call of the Chairperson of the Board or written notice of 3
21 members of the Board.

22 (h) A majority of the appointed members of the Board shall
23 constitute a quorum for the transaction of business, and the
24 Board may not meet or take any action without a quorum present.
25 The affirmative vote of a majority of the members present at a
26 meeting at which a quorum is present shall be necessary for any

1 official act of the Authority.

2 (i) All members of the Board and employees of the
3 Authority are subject to the Illinois Governmental Ethics Act,
4 in accordance with its terms, and shall submit a statement of
5 economic interests in accordance with Article 4A of the
6 Illinois Governmental Ethics Act. Additionally, each Board
7 member shall disclose to the Board outside sources of income
8 and any business relationships in economic development,
9 consulting, or lobbying. Reporting shall include the source of
10 income, services provided, and timeline of when services were
11 provided. If the source of income is a firm or organization
12 with multiple clients, the report shall list all of the
13 entities for which the individual provided services.

14 (j) The Board may appoint an Executive Director who shall
15 have a background in finance, real estate, economic
16 development, or administration. The Executive Director shall
17 hold office at the discretion of the Board. The Executive
18 Director shall be the chief administrative and operational
19 officer of the Authority, shall direct and supervise its
20 administrative affairs and general management, shall perform
21 such other duties as may be prescribed from time to time by the
22 Board, and shall receive compensation fixed by the Board. The
23 Executive Director shall attend all meetings of the Board;
24 however, no action of the Board or the Authority shall be
25 invalid on account of the absence of the Executive Director
26 from a meeting.

1 Section 1-30. Open meetings; record disclosure.

2 (a) The Authority is subject to the Open Meetings Act and
3 the Freedom of Information Act. All rules, regulations,
4 ordinances, and resolutions of the Authority, and all
5 documents and records in its possession, shall be public
6 records and shall be open to public inspection, except such
7 documents and records as shall be kept or prepared by the Board
8 for use in negotiations, actions, or proceedings to which the
9 Authority is a party.

10 (b) Each contract or agreement entered into by the
11 Authority must be posted on the Authority's website. The
12 Authority shall provide a detailed report of the Authority's
13 financial information on the Authority's website.

14 Section 1-35. Limitations. If any of the Authority's
15 powers are exercised within the territorial jurisdiction of
16 any municipality, all ordinances of that municipality shall
17 remain in full force and effect and shall be controlling.

18 Section 1-40. Approval of STAR bond districts and STAR
19 bond project.

20 (a) Notwithstanding any other provision of law, all real
21 property in the territorial jurisdiction of the Authority
22 shall automatically constitute an eligible area for the
23 purposes of approving a STAR bond district or STAR bond

1 project in that jurisdiction under the Statewide Innovation
2 Development and Economy Act, and the territorial boundaries of
3 the STAR bond district may be entirely within the corporate
4 limits of the City of Springfield.

5 (b) Notwithstanding any other provision of law, any number
6 of STAR bond projects may be undertaken in a STAR bond district
7 located in the territorial jurisdiction of the Authority
8 provided that:

9 (1) each STAR bond project is approved under the
10 Statewide Innovation Development and Economy Act; and

11 (2) the local tax contribution and the State tax
12 contribution to the STAR bond projects are sufficient,
13 together with other pledged STAR revenues, to support the
14 financing of the STAR bond projects.

15 (c) Notwithstanding any other provision of law, to the
16 extent that the local tax contribution and the State tax
17 contribution, together with other available funds, aggregate
18 an amount that exceeds those funds required to pay any project
19 costs, including debt service on the STAR bonds issued in
20 connection with the STAR bond project, the Authority may
21 direct such excess local tax contribution and State tax
22 contribution to finance additional STAR bond projects in the
23 same STAR bond district.

24 (d) Notwithstanding any other provision of law, the STAR
25 bond projects allowed to be undertaken pursuant to this Act
26 are in addition to the number of allowable STAR bond projects

1 established in Section 5-15 of the Statewide Innovation
2 Development and Economy Act.

3 Section 1-45. State tax contribution. Notwithstanding any
4 other provision of law, any State sales tax increment pledged
5 to pay STAR bonds in any STAR bond district located in the
6 territorial jurisdiction of the Authority shall not be limited
7 to 50% of the total project costs in the STAR bond district but
8 rather will cover up to 100% of the total project costs.

9 Section 1-50. Master developer. Notwithstanding any other
10 provision of law, the Authority shall own and control any STAR
11 bond project and acreage on which the project is located in any
12 STAR Bond district created in the territorial jurisdiction of
13 the Authority instead of the Master Developer as required in
14 the Statewide Innovation Development and Economy Act. The
15 Master Developer shall not be required to provide equity in
16 such STAR bond project.

17 Section 1-55. Reports; commitment notice. The Authority
18 shall annually submit a report of its finances to the Auditor
19 General. The Authority shall annually submit a report of its
20 activities to the Governor and General Assembly. The Authority
21 shall provide notice to the General Assembly, the Department
22 of Commerce and Economic Opportunity, and the Governor once
23 the Authority enters into a commitment to support the

1 financing of a project. The notice to the General Assembly
2 shall be filed with the Clerk of the House of Representatives
3 and the Secretary of the Senate, in electronic form only, in
4 the manner that the Clerk and the Secretary shall direct.

5 Section 1-60. Exemption from taxation. All property of the
6 Authority is exempt from taxation by the State or taxing
7 districts of the State.

8 Section 1-65. Investigatory authority. The Board may
9 investigate conditions in which it has an interest within the
10 territorial jurisdiction of the Authority, the enforcement of
11 its ordinances, rules and regulations, and the action,
12 conduct, and efficiency of all officers, agents and employees
13 of the Authority. In the conduct of such investigations the
14 Board may hold public hearings on its own motion. Each member
15 of the Board shall have power to administer oaths, and the
16 secretary, by order of the Board, shall issue subpoenas to
17 secure the attendance and testimony of witnesses and the
18 production of books and papers relevant to those
19 investigations and to any hearing before the Board or any
20 member of the Board. Any circuit court of this State, upon
21 application of the Board or any Board member, may, in its
22 discretion and by attachment for contempt or otherwise in the
23 same manner as the production of evidence may be compelled
24 before the court, compel the attendance of witnesses, the

1 production of books and papers, and the giving of testimony
2 before the Board or before any Board member or any officers'
3 committee appointed by the Board.

4 ARTICLE 5

5 Section 5-1. Short title. This Act may be cited as the
6 Capital City Downtown Medical District Act. References in this
7 Article to "this Act" mean this Article.

8 Section 5-5. Findings. The General Assembly finds that
9 Springfield's distinctive role as Illinois' capital, a
10 regional medical destination, the home of President Abraham
11 Lincoln's Presidential Library and Museum, and a National
12 Historic Site warrants strengthened, structured collaboration
13 anchored by State government to advance medical,
14 entertainment, educational, legal, and public policy
15 priorities in the District. State and local governmental
16 bodies should encourage the leveraging of the District's
17 proximity to State government to support healthcare, civic,
18 legal, policy, and professional education activities that
19 advance the public benefit of all Illinoisans through public
20 service, workforce development, and downtown vitality.

21 Section 5-7. Definition. As used in this Act, unless the
22 context clearly requires otherwise, "District" means the

1 Capital City Downtown Medical District.

2 Section 5-10. Creation of District. There is created in
3 the City of Springfield a special development district to be
4 known as the Capital City Downtown Medical District, whose
5 boundaries are 11th Street on the east, North Grand Avenue on
6 the north, Walnut Street on the west, and South Grand Avenue on
7 the south, and which excludes:

8 (1) all local, State, and federal government properties;
9 and

10 (2) the area bounded by Washington Street on the north,
11 Third Street on the east, Cook Street on the South, and Walnut
12 Street on the west.

13 The District is created to help build and sustain a
14 vibrant and thriving downtown zone in the State's capital city
15 by encouraging economic development, by increasing the number
16 of people who reside, who are employed, who visit, and who
17 study within the District, and by increasing economic activity
18 in the heart of downtown Springfield through commercial
19 development, including mixed-use housing developments,
20 workforce housing, student housing, and middle-income housing
21 within walking distance of government facilities, healthcare
22 facilities, commercial facilities, and educational facilities
23 in and near the District. The District aims to support
24 revitalization in key sectors, including, but not limited to,
25 healthcare, education, research, technology, housing, retail

1 merchandising, restaurants, arts and culture, tourism,
2 historic preservation and public infrastructure, and to
3 improve and provide for the management of land and facilities
4 within the District.

5 Section 5-15. Capital City Downtown Medical District
6 Commission.

7 (a) There is created a body politic and corporate under
8 the corporate name of the Capital City Downtown Medical
9 District Commission whose general purpose, in addition to and
10 not in limitation of those purposes and powers set forth in
11 this Act, is to:

12 (1) maintain the proper surroundings of and within the
13 District in order to attract, stabilize, and retain within
14 the District facilities, buildings, enterprises, and other
15 establishments permitted under this Act;

16 (2) provide for the orderly creation, maintenance,
17 development, and expansion of (i) facilities, buildings,
18 enterprises, and other establishments permitted under this
19 Act and (ii) public infrastructure related to the use and
20 enjoyment of those facilities, buildings, enterprises, and
21 other establishments;

22 (3) convene dialogue among leaders in the public and
23 private sectors on topics and issues associated with
24 training in the delivery of services and related industry
25 in the District's program area;

1 (4) provide support for the attraction and creation of
2 new businesses and new jobs within the District;

3 (5) maintain the proper surroundings for a medical
4 center and a related technology center in order to
5 attract, stabilize, and retain within the District
6 hospitals, clinics, research facilities, educational
7 facilities, or other facilities permitted under this Act;
8 and

9 (6) employ agents and employees necessary to carry out
10 its purposes.

11 (b) The Commission has perpetual succession and the power
12 to contract and be contracted with, to sue and be sued, except
13 in actions sounding in tort, to plead and be impleaded, to have
14 and use a common seal, and to alter the same at pleasure. All
15 actions sounding in tort against the Commission shall be
16 prosecuted in the Court of Claims. The principal office of the
17 Commission shall be in the City of Springfield.

18 (c) The Commission shall consist of the following members:

19 (1) 5 members appointed by the Governor, with the
20 advice and consent of the Senate;

21 (2) 3 members appointed by the Mayor of Springfield,
22 with the advice and consent of the Springfield City
23 Council; and

24 (3) 3 members appointed by the Chairperson of the
25 County Board of Sangamon County.

26 One of each of the 3 members appointed by the Mayor of

1 Springfield and by the Chairperson of the County Board of
2 Sangamon County shall be a representative of a recognized
3 neighborhood organization that has a legitimate interest in
4 the development and improvement of the District, as determined
5 by the Mayor of the City of Springfield and the Chairperson of
6 the County Board of Sangamon County, respectively. The initial
7 members of the Commission appointed by the Governor shall be
8 appointed for terms ending, respectively, on the second,
9 third, fourth, fifth, and sixth anniversaries of their
10 appointments. The initial members appointed by the Mayor of
11 Springfield and by the Chairperson of the County Board of
12 Sangamon County shall be appointed for terms ending,
13 respectively, on the second, third, and fourth anniversaries
14 of their appointments. Thereafter, all the members shall be
15 appointed to hold office for a term of 5 years and until their
16 successors are appointed as provided in this Act.

17 (d) Any vacancy in the membership of the Commission
18 occurring by reason of the death, resignation,
19 disqualification, removal, or inability or refusal to act of
20 any of the members of the Commission shall be filled by the
21 authority that had appointed the particular member. The
22 authority that appointed the particular member shall appoint a
23 replacement to fill the vacancy for the unexpired term of
24 office of that particular member. A vacancy caused by the
25 expiration of the period for which the member was appointed
26 shall be filled by a new appointment for a term of 5 years from

1 the date of the expiration of the prior 5-year term
2 notwithstanding when the appointment is actually made. The
3 Commission shall obtain, under the provisions of the Personnel
4 Code, such personnel as the Commission shall deem advisable to
5 carry out the purposes of this Act and the work of the
6 Commission.

7 (e) The Commission shall hold regular meetings annually
8 for the election of a President, Vice-President, Secretary,
9 and Treasurer from among its members, for the adoption of a
10 budget, and for such other business as may properly come
11 before it. The Commission shall establish the duties and
12 responsibilities of its officers by rule. The President or any
13 4 members of the Commission may call special meetings of the
14 Commission. Each Commissioner shall take an oath of office for
15 the faithful performance of his or her duties. The Commission
16 4 may not transact business at a meeting of the Commission
17 unless there is a quorum consisting of at least 6
18 Commissioners present at the meeting. Meetings may be held by
19 telephone conference or by other means through which all
20 persons participating in the meeting can communicate with each
21 other.

22 (f) The Commission shall submit to the General Assembly,
23 not later than March 1 of each odd-numbered year, a detailed
24 report covering its operations for the 2 preceding calendar
25 years and a statement of its program for the next 2 years. The
26 requirement for reporting to the General Assembly shall be

1 satisfied by filing copies of the report as required by
2 Section 3.1 of the General Assembly Organization Act, and by
3 filing such additional copies with the State Government Report
4 Distribution Center for the General Assembly as is required
5 under paragraph (t) of Section 7 of the State Library Act.

6 (g) The Auditor General shall conduct audits of the
7 Commission in the same manner as the Auditor General conducts
8 audits of State agencies under the Illinois State Auditing
9 Act.

10 (h) Neither the Commission nor the District has any power
11 to tax.

12 (i) The Commission is a public body and subject to the Open
13 Meetings Act and the Freedom of Information Act.

14 Section 5-20. Grants; loans; contracts. The Commission may
15 apply for and accept grants, loans, or appropriations from the
16 State of Illinois, the federal government, any State or
17 federal agency or instrumentality, any unit of local
18 government, or any other person or entity to be used for any of
19 the purposes of the District. The Commission may enter into
20 any agreement with the State of Illinois, the federal
21 government, any State or federal instrumentality, any unit of
22 local government, or any other person or entity in relation to
23 the grants, matching grants, loans, or appropriations. The
24 Commission also may, by contractual agreement, accept and
25 collect assessments or fees from entities who enter into a

1 contractual agreement for District enhancement and
2 improvements, common area shared services, shared facilities,
3 or other activities or expenditures in furtherance of the
4 purposes of this Act. The Commission may provide assistance,
5 including grants, loans, land conveyances, and other
6 incentives to entities, including, but not limited to,
7 neighborhood organizations, to induce development and
8 revitalization consistent with this Act and for the purpose of
9 benefiting the community. The Commission may also provide
10 programmatic assistance, operational assistance, or facilities
11 to support academic, professional, and training programs
12 located within the District if it finds that such support
13 advances the purposes of this Act.

14 Section 5-25. Property; acquisition. The Commission may
15 acquire the fee simple title to real property lying within the
16 District and personal property required for its purposes, by
17 gift, donation, purchase, or otherwise. Title shall be taken
18 in the corporate name of the Commission. The Commission may
19 acquire, by lease or other means, any real property lying
20 within the District and personal property found by the
21 Commission to be necessary for its purposes and to which the
22 Commission finds that it need not acquire the fee simple title
23 for carrying out of those purposes. The Commission shall hold
24 a public hearing in accordance with Section 5-80 of this Act
25 before acquiring the title to property. All real and personal

1 property within the District, except that owned and used for
2 purposes authorized under this Act by medical institutions or
3 allied educational institutions, hospitals, dispensaries,
4 clinics, dormitories or homes for the nurses, doctors,
5 students, instructors, or other officers or employees of those
6 institutions located in the District, or any real property
7 that is used for offices or for recreational purposes in
8 connection with those institutions, or any improved
9 residential property within a currently effective historical
10 district properly designated under a federal statute or a
11 State or local statute that has been certified by the
12 Secretary of the Interior to the Secretary of the Treasury as
13 containing criteria that will substantially achieve the
14 purpose of preserving and rehabilitating buildings of
15 historical significance to the district, may be acquired by
16 the Commission in its corporate name under the provisions for
17 the exercise of the right of eminent domain under the Eminent
18 Domain Act. The Commission may undertake environmental
19 remediation, demolition, site preparation, interim site
20 management, and other predevelopment activities necessary to
21 prepare property for redevelopment, transfer, or related
22 activities. The Commission has no quick-take powers, no zoning
23 powers, and no power to establish or enforce building codes.
24 The Commission may not acquire any property pursuant to this
25 Section before a comprehensive master plan has been approved
26 under Section 5-75.

1 Section 5-30. Construction. After a public hearing in
2 accordance with Section 5-80 of this Act, the Commission may,
3 in its corporate capacity, construct or cause to be
4 constructed within the District, any building, structure, or
5 other ancillary or related facilities that the Commission may,
6 from time to time, determine are to be established and
7 operated (i) for the carrying out of any aspect of the
8 Commission's purposes as set forth in this Act or (ii) for any
9 uses the Commission shall determine will support and nurture
10 facilities and uses permitted by this Act. All such structures
11 and improvements shall be erected and constructed in
12 accordance with the provisions of the Illinois Procurement
13 Code that apply to State agencies. No construction may be
14 undertaken pursuant to this Section before a comprehensive
15 master plan has been approved under Section 5-75.

16 Section 5-35. Relocation assistance. The Commission shall
17 provide relocation assistance to persons and entities
18 displaced by the Commission's acquisition of property and
19 improvement of the District. Relocation assistance shall not
20 be less than the amount provided under the federal Uniform
21 Relocation Assistance and Real Property Acquisition Policies
22 Act of 1970 and the regulations under that Act, including the
23 eligibility criteria. The Commission may enter into long-term
24 development, land-use, or operating agreements with

1 institutions, including hospitals, universities, State
2 agencies, or nonprofit organizations. Relocation assistance
3 may include assistance with the moving of a residential unit
4 to a new location, and the Commission may develop, own, lease,
5 sublease, or manage facilities used for academic instruction,
6 professional education, or research, including facilities
7 owned or operated by colleges, universities, or their
8 affiliates. The Commission shall establish a single point of
9 contact for all relocation assistance under this Section.

10 Section 5-40. Bonds. To obtain the funds necessary for
11 financing the acquisition, construction, maintenance, and
12 rehabilitation of facilities and equipment within the
13 District, and for the operation of the District as set forth in
14 this Act, the Commission may borrow money from any public or
15 private agency, department, corporation, or person. In
16 evidence of and as security for funds borrowed, the Commission
17 may issue revenue bonds in its corporate capacity to be
18 payable from the revenues derived from the operation of the
19 institutions or buildings owned, leased, or operated by or on
20 behalf of the Commission, but the bonds shall in no event
21 constitute an indebtedness of the Commission or a claim
22 against the property of the Commission. The bonds may be
23 issued in such denominations as may be expedient, in such
24 amounts, and at such rates of interest as the Commission shall
25 deem necessary to provide sufficient funds to pay all the

1 costs authorized under this Section. The bonds shall be
2 executed by the President of the Commission, attested by the
3 Secretary, and sealed with the Commission's corporate seal. If
4 either of those officers of the Commission who shall have
5 signed or attested any of the bonds shall have ceased to be
6 such officer before delivery of the bonds, the signature of
7 the officer shall be valid and sufficient to the same effect as
8 if the officer had remained in office at the time of delivery.
9 The Commission shall furnish the State Comptroller with a
10 record of all bonds issued under this Act.

11 Section 5-45. Power to sell or lease. The Commission may
12 sell, convey, transfer, or lease, at fair market value, any
13 title or interest in real property owned by it to any person or
14 persons, to be used, subject to the restrictions of this Act,
15 for the purposes stated in this Act, for the purpose of serving
16 persons using the facilities offered within the District, or
17 for the carrying out of any aspect of the Commission's
18 purposes as set forth in Section 5-15 of this Act, subject to
19 the restrictions as to the use of the real property as the
20 Commission shall determine will carry out the purposes of this
21 Act. To assure that the use of the real property so sold or
22 leased is in accordance with the provisions of this Act, the
23 Commission shall inquire into and satisfy itself concerning
24 the financial ability of the purchaser to complete the project
25 for which the real property is sold or leased. The purchaser or

1 lessee shall submit, in writing, a plan to the Commission of
2 the purchaser's or lessee's ability to complete the project
3 for which the real property is sold or leased. Under the
4 required plan, the purchaser or lessee shall undertake (1) to
5 use the land for the purposes designated in the plan so
6 presented; (2) to commence and complete the construction of
7 the buildings or other structures to be included in the
8 project within the time the Commission fixes as reasonable;
9 and (3) to comply with such other conditions as the Commission
10 shall determine are necessary to carry out the project. All
11 conveyances and leases authorized in this Section shall be on
12 condition that in the event the use of property is for other
13 purposes than prescribed in this Act, or there is nonuse for a
14 period of one year, title to the property shall revert to the
15 Commission. All conveyances and leases made by the Commission
16 to any corporation or person for the use of serving the
17 residents or any person using the facilities offered within
18 the District shall be on condition that in the event of a
19 violation of any of the restrictions as to the use of the
20 property according to this Act, and the Commission's
21 determinations of projects that will carry out the purposes of
22 this Act, title to the property shall revert to the
23 Commission. If, however, the Commission finds that financing
24 necessary for the acquisition or lease of any real estate or
25 for the construction or improvement of any building to be used
26 for purposes prescribed in this Act cannot be obtained if

1 title to the land, building, or improvement is subject to such
2 a reverter provision, the Commission may cause the real
3 property to be conveyed free of a reverter provision, provided
4 that at least 7 members of the Commission vote in favor
5 thereof. The finding that the title shall be conveyed free of a
6 reverter provision shall be made at a public hearing in
7 accordance with Section 5-80 of this Act and notice provided
8 in accordance with Section 5-50 of this Act. The Commission
9 may also provide, in the conveyances, leases, or other
10 documentation, provisions for notice of such violations or
11 default and the cure thereof for the benefit of any lender or
12 mortgagee as the Commission shall determine are appropriate.
13 If, at a regularly scheduled meeting, the Commission resolves
14 that a parcel of real estate leased by it, or in which it has
15 sold the fee simple title or any lesser estate, is not being
16 used for the purposes prescribed in this Act or has been in
17 nonuse for a period of one year, the Commission may file a
18 lawsuit in the Circuit Court of Sangamon County to enforce the
19 terms of the sale or lease. If a reverter of title to any
20 property is ordered by the court under the terms of this Act,
21 the interest of the Commission shall be subject to any
22 existing valid mortgage or trust deed in the nature of a
23 mortgage, but if the title is acquired through foreclosure of
24 that mortgage or trust deed or by deed in lieu of foreclosure
25 of that mortgage or trust deed, then the title to the property
26 shall not revert, but shall be subject to the restrictions as

1 to use, but not any penalty for nonuse contained in this Act
2 with respect to any mortgagee in possession or its successor
3 or assigns. No conveyance of real property shall be executed
4 by the Commission without the prior written approval of the
5 Governor. The Commission may not sell, convey, transfer, or
6 lease any property pursuant to this Section before a
7 comprehensive master plan has been approved under Section
8 5-75.

9 Section 5-50. Notice. Before holding any public hearing
10 prescribed in Section 5-45 of this Act, or any meeting
11 regarding the passage of any resolution to file a lawsuit, the
12 Commission shall give notice to the grantee or lessee, or his
13 or her legal representatives, successors, or assigns, of the
14 time and place of the proceeding. The notice shall be
15 accompanied by a statement signed by the Secretary of the
16 Commission, or by any person authorized by the Commission to
17 sign the same, setting forth any act or things done or omitted
18 to be done in violation, or claimed to be in violation, of any
19 restriction as to the use of the property, whether the
20 restriction be prescribed in any of the terms of this Act or by
21 any restriction as to the use of the property determined by the
22 Commission under the terms of this Act. The notice of the time
23 and place fixed for the proceeding shall also be given to such
24 person or persons as the Commission shall deem necessary. The
25 notice may be given by registered mail, addressed to the

1 grantee, lessee, or legal representatives, successors, or
2 assigns, at the last known address of the grantee, lessee, or
3 legal representatives, successors, or assigns.

4 Section 5-55. Rules. The Commission may adopt reasonable
5 and proper rules, in accordance with the Illinois
6 Administrative Procedure Act, relative to the exercise of its
7 powers, and proper rules to govern its proceedings, to
8 regulate the mode and manner of all hearings held by it or at
9 its direction, and to alter and amend those rules.

10 Section 5-60. Official documents. Copies of all official
11 documents, findings, and orders of the Commission, certified
12 by a Commissioner or by the Secretary of the Commission to be
13 true copies of the originals, and under the official seal of
14 the Commission, shall be evidence in like manner as the
15 originals.

16 Section 5-65. Judicial review. All final administrative
17 decisions of the Commission shall be subject to judicial
18 review pursuant to the provisions of the Administrative Review
19 Law, and all amendments and modifications thereof, and the
20 rules adopted pursuant thereto. The term "administrative
21 decision" is defined as in Section 3-101 of the Code of Civil
22 Procedure. Any party may obtain judicial review of a final
23 order or administrative decision of the Commission in the

1 Circuit Court of Sangamon County only under and in accordance
2 with the provisions of the Administrative Review Law and its
3 adopted rules. The Circuit Court shall take judicial notice of
4 all the rules of practice and procedure of the Commission.

5 Section 5-70. Parks. The Commission may set apart any part
6 of the District as a park, except those areas owned, operated,
7 or used for purposes authorized under this Act by
8 organizations or institutions engaged in the delivery or
9 conduct of health care services, education, or research. The
10 Commission may construct, control, and maintain the same, or
11 may provide by contract with the Springfield Park District,
12 the City of Springfield, or the Department of Natural
13 Resources, as applicable, for the construction, control, and
14 maintenance of any area within the District set apart as a
15 park.

16 Section 5-75. Master plan; improvement and management of
17 District. The Commission shall approve a comprehensive master
18 plan for the orderly development and management of all
19 property within the District. The master plan, and any
20 amendment to the master plan, shall only take effect once
21 delivered to the Springfield City Council. The Commission
22 shall take the actions permitted to be taken by it under this
23 Act as it may determine are appropriate to provide conditions
24 most favorable for the special care and treatment of the sick

1 and injured and for the study of disease and for any other
2 purpose of this Act. In the master plan, the Commission may
3 provide for shared services and facilities within the District
4 for the accredited higher education institutions and the
5 licensed non-profit acute care hospitals within the District.

6 Section 5-80. Public hearing. The Commission shall conduct
7 a public hearing prior to either (i) acquiring real or
8 personal property within the District through Section 5-25 of
9 this Act, (ii) constructing any building or structure under
10 Section 5-30 of this Act, (iii) conveying property under
11 Section 5-45 of this Act, or (iv) approving a comprehensive
12 master plan under Section 5-75 of this Act. The Commission
13 shall also conduct a public hearing whenever it is otherwise
14 required by law to do so, and may conduct a public hearing
15 whenever it may elect to do so. The Commission shall conduct
16 the public hearing called by it in accordance with the
17 requirements of the law mandating it, if any, or in accordance
18 with the provisions of this Section if either the law
19 mandating it is silent as to the procedures for its holding or
20 if the Commission elects to hold a public hearing in the
21 absence of any law mandating it. In the absence of any law, or
22 of any procedures in any law, mandating the holding of a public
23 hearing, the Commission may authorize a Commissioner or other
24 person of legal age to conduct a hearing. The Commissioner or
25 other authorized person has the power to administer oaths and

1 affirmations, take the testimony of witnesses, take and
2 receive the production of papers, books, records, accounts,
3 and documents, receive pertinent evidence, and certify the
4 record of the hearing. The record of the hearing shall become
5 part of the Commission's record. Notice of the time, place,
6 and purpose of the hearing shall be given by a single
7 publication notice in a secular newspaper of general
8 circulation in the City of Springfield at least 10 days before
9 the date of the hearing.

10 Section 5-85. Jurisdiction. This Act shall not be
11 construed to limit the jurisdiction of the City of Springfield
12 to territory outside the limits of the District nor to impair
13 any power now possessed by or hereafter granted to the City of
14 Springfield or to cities generally. Property owned by and
15 exclusively used by the Commission shall be exempt from
16 taxation.

17 Section 5-90. Disposition of money; income fund. All money
18 received by the Commission from the sale or lease of any
19 property, in excess of the amount expended by the Commission
20 for authorized purposes under this Act or as may be necessary
21 to satisfy the obligation of any revenue bond issued pursuant
22 to Section 5-40, shall be deposited into the Capital City
23 Downtown Medical District Income Fund, a special fund created
24 in the State treasury. The Commission may use all money

1 received as rentals for the purposes of planning, acquisition,
2 and development of property within the District, for the
3 operation, maintenance, and improvement of property of the
4 Commission, and for all purposes and powers set forth in this
5 Act. All moneys held pursuant to this Section shall be
6 maintained in a depository approved by the State Treasurer.
7 The Auditor General shall, at least biennially, audit or cause
8 to be audited all records and accounts of the Commission
9 pertaining to the operation of the District.

10 Section 5-95. Assumption. As allowable under State or
11 federal law, any and all assets, holdings, contracts and
12 agreements of the Mid-Illinois Medical District or
13 Mid-Illinois Medical District Commission established under the
14 Mid-Illinois Medical District Act shall hereby be conveyed or
15 assigned to the Capital City Downtown Medical District or the
16 Capital City Downtown Medical District Commission established
17 under this Act.

18 ARTICLE 10

19 Section 10-5. The Illinois Enterprise Zone Act is amended
20 by changing Section 5.4.1 as follows:

21 (20 ILCS 655/5.4.1)

22 Sec. 5.4.1. Adoption of Tax Increment Financing.

1 (a) If (i) a redevelopment project area is, will be, or has
2 been created by a municipality under Division 74.4 of the
3 Illinois Municipal Code, (ii) the redevelopment project area
4 contains property that is located in an enterprise zone, (iii)
5 the municipality adopts an amendment to the enterprise zone
6 designating ordinance pursuant to Section 5.4 of this Act
7 specifically concerning the abatement of taxes on property
8 located within a redevelopment project area created pursuant
9 to Division 74.4 of the Illinois Municipal Code, and (iv) the
10 Department certifies the ordinance amendment, then the
11 property that is located in both the enterprise zone and the
12 redevelopment project area shall not be eligible for the
13 abatement of taxes under Section 18-170 of the Property Tax
14 Code.

15 No business enterprise or expansion or individual,
16 however, that has constructed a new improvement or renovated
17 or rehabilitated an existing improvement and has received an
18 abatement on the improvement under Section 18-170 of the
19 Property Tax Code shall be denied any benefit previously
20 extended within the zone pursuant to this Act or pursuant to
21 any other Illinois law providing benefits specifically to or
22 within enterprise zones. Moreover, if the business enterprise
23 or individual presents evidence to the municipality within 30
24 days after the adoption by the municipality of an amendment to
25 the designating ordinance the sufficiency of which shall be
26 determined by findings of the corporate authorities made

1 within 30 days of the receipt of such evidence by the
2 municipality, that before the date of the notice of the public
3 hearing provided by the municipality regarding the amendment
4 to the designating ordinance (i) the business enterprise or
5 expansion or individual was committed to locate within the
6 enterprise zone, (ii) substantial and binding financial
7 obligations were made toward ~~towards~~ the development of the
8 enterprise, and (iii) those commitments were made in
9 reasonable reliance on the benefits and programs that were
10 applicable to the enterprise or individual by reason of the
11 enterprise zone, then the enterprise or expansion or
12 individual shall not be denied any benefit previously extended
13 within the zone pursuant to this Act or pursuant to any other
14 Illinois law providing benefits specifically to or within
15 enterprise zones.

16 (b) This Section applies to all property located within
17 both a redevelopment project area adopted under Division 74.4
18 of the Illinois Municipal Code and an enterprise zone even if
19 the redevelopment project area or the enterprise zone was
20 adopted before the effective date of this amendatory Act of
21 1997.

22 (c) After July 1, 1997, if (i) a redevelopment project
23 area is created by a municipality under Division 74.4 of the
24 Illinois Municipal Code and (ii) the redevelopment project
25 area contains property that is located in an enterprise zone,
26 the municipality must adopt an amendment to the certified

1 enterprise zone designating ordinance under Section 5.4 that
2 property that is located in both the enterprise zone and the
3 redevelopment project area shall not be eligible for any
4 abatement of taxes under Section 18-170 of the Property Tax
5 Code for new improvements or the renovation or rehabilitation
6 of existing improvements, except as provided in subsections
7 (e) and (f).

8 (d) In declaratory judgment actions under this Section,
9 the Department and the designating municipality shall be
10 necessary parties defendant.

11 (e) Notwithstanding any other provision of law, if a
12 municipality has adopted an enterprise zone pursuant to this
13 Act and subsequently establishes a redevelopment project area
14 pursuant to the Tax Increment Allocation Redevelopment Act in
15 the Illinois Municipal Code, the municipality may, by
16 amendment to the certified enterprise zone designating
17 ordinance, provide for a partial abatement of taxes under
18 Section 18-170 of the Property Tax Code for property located
19 within both the enterprise zone and the redevelopment project
20 area. Any portion of property taxes not abated shall be
21 subject to tax increment financing, and the terms of the
22 applicable redevelopment project area agreement adopted
23 pursuant to the Tax Increment Allocation Redevelopment Act.

24 (f) Notwithstanding any other provision of law, if a
25 municipality has established a redevelopment project area
26 pursuant to the Tax Increment Allocation Redevelopment Act in

1 the Illinois Municipal Code and subsequently adopts an
2 enterprise zone that includes property within the
3 redevelopment project area, the municipality may, subject to
4 the redevelopment project area plan and agreement, provide for
5 a partial abatement of taxes under Section 18-170 of the
6 Property Tax Code for property located within both the
7 enterprise zone and the redevelopment project area. No such
8 abatement shall reduce or impair any tax increment revenues
9 pledged to secure outstanding bonds, notes, or other
10 obligations of the redevelopment project area. Any portion of
11 property taxes not abated shall remain subject to tax
12 increment financing and the terms of the applicable
13 redevelopment project area agreement adopted pursuant to
14 Division 74.4 of the Illinois Municipal Code.

15 (Source: P.A. 90-258, eff. 7-30-97.)

16 Section 10-10. The Illinois State Auditing Act is amended
17 by changing Section 3-1 as follows:

18 (30 ILCS 5/3-1) (from Ch. 15, par. 303-1)

19 (Text of Section before amendment by P.A. 104-457)

20 Sec. 3-1. Jurisdiction of Auditor General. The Auditor
21 General has jurisdiction over all State agencies to make post
22 audits and investigations authorized by or under this Act or
23 the Constitution.

24 The Auditor General has jurisdiction over local government

1 agencies and private agencies only:

2 (a) to make such post audits authorized by or under
3 this Act as are necessary and incidental to a post audit of
4 a State agency or of a program administered by a State
5 agency involving public funds of the State, but this
6 jurisdiction does not include any authority to review
7 local governmental agencies in the obligation, receipt,
8 expenditure or use of public funds of the State that are
9 granted without limitation or condition imposed by law,
10 other than the general limitation that such funds be used
11 for public purposes;

12 (b) to make investigations authorized by or under this
13 Act or the Constitution; and

14 (c) to make audits of the records of local government
15 agencies to verify actual costs of state-mandated programs
16 when directed to do so by the Legislative Audit Commission
17 at the request of the State Board of Appeals under the
18 State Mandates Act.

19 In addition to the foregoing, the Auditor General may
20 conduct an audit of the Metropolitan Pier and Exposition
21 Authority, the Regional Transportation Authority, the Suburban
22 Bus Division, the Commuter Rail Division and the Chicago
23 Transit Authority and any other subsidized carrier when
24 authorized by the Legislative Audit Commission. Such audit may
25 be a financial, management or program audit, or any
26 combination thereof.

1 The audit shall determine whether they are operating in
2 accordance with all applicable laws and regulations. Subject
3 to the limitations of this Act, the Legislative Audit
4 Commission may by resolution specify additional determinations
5 to be included in the scope of the audit.

6 In addition to the foregoing, the Auditor General must
7 also conduct a financial audit of the Illinois Sports
8 Facilities Authority's expenditures of public funds in
9 connection with the reconstruction, renovation, remodeling,
10 extension, or improvement of all or substantially all of any
11 existing "facility", as that term is defined in the Illinois
12 Sports Facilities Authority Act.

13 The Auditor General may also conduct an audit, when
14 authorized by the Legislative Audit Commission, of any
15 hospital which receives 10% or more of its gross revenues from
16 payments from the State of Illinois, Department of Healthcare
17 and Family Services (formerly Department of Public Aid),
18 Medical Assistance Program.

19 The Auditor General is authorized to conduct financial and
20 compliance audits of the Illinois Distance Learning Foundation
21 and the Illinois Conservation Foundation.

22 As soon as practical after August 18, 1995 (the effective
23 date of Public Act 89-386), the Auditor General shall conduct
24 a compliance and management audit of the City of Chicago and
25 any other entity with regard to the operation of Chicago
26 O'Hare International Airport, Chicago Midway Airport and

1 Merrill C. Meigs Field. The audit shall include, but not be
2 limited to, an examination of revenues, expenses, and
3 transfers of funds; purchasing and contracting policies and
4 practices; staffing levels; and hiring practices and
5 procedures. When completed, the audit required by this
6 paragraph shall be distributed in accordance with Section
7 3-14.

8 The Auditor General must conduct an audit of the Health
9 Facilities and Services Review Board pursuant to Section 19.5
10 of the Illinois Health Facilities Planning Act.

11 The Auditor General of the State of Illinois shall
12 annually conduct or cause to be conducted a financial and
13 compliance audit of the books and records of any county water
14 commission organized pursuant to the Water Commission Act of
15 1985 and shall file a copy of the report of that audit with the
16 Governor and the Legislative Audit Commission. The filed audit
17 shall be open to the public for inspection. The cost of the
18 audit shall be charged to the county water commission in
19 accordance with Section 6z-27 of the State Finance Act. The
20 county water commission shall make available to the Auditor
21 General its books and records and any other documentation,
22 whether in the possession of its trustees or other parties,
23 necessary to conduct the audit required. These audit
24 requirements apply only through July 1, 2007.

25 The Auditor General must conduct audits of the Rend Lake
26 Conservancy District as provided in Section 25.5 of the River

1 Conservancy Districts Act.

2 The Auditor General must conduct financial audits of the
3 Southeastern Illinois Economic Development Authority as
4 provided in Section 70 of the Southeastern Illinois Economic
5 Development Authority Act.

6 The Auditor General shall conduct a compliance audit in
7 accordance with subsections (d) and (f) of Section 30 of the
8 Innovation Development and Economy Act.

9 The Auditor General shall conduct a compliance audit in
10 accordance with subsections (d) and (g) of Section 5-45 of the
11 Statewide Innovation Development and Economy Act.

12 (Source: P.A. 104-2, eff. 6-16-25.)

13 (Text of Section after amendment by P.A. 104-457)

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16 audits and investigations authorized by or under this Act or
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21 this Act as are necessary and incidental to a post audit of
22 a State agency or of a program administered by a State
23 agency involving public funds of the State, but this
24 jurisdiction does not include any authority to review
25 local governmental agencies in the obligation, receipt,

1 expenditure or use of public funds of the State that are
2 granted without limitation or condition imposed by law,
3 other than the general limitation that such funds be used
4 for public purposes;

5 (b) to make investigations authorized by or under this
6 Act or the Constitution; and

7 (c) to make audits of the records of local government
8 agencies to verify actual costs of state-mandated programs
9 when directed to do so by the Legislative Audit Commission
10 at the request of the State Board of Appeals under the
11 State Mandates Act.

12 In addition to the foregoing, the Auditor General may
13 conduct an audit of the Metropolitan Pier and Exposition
14 Authority, the Northern Illinois Transit Authority, the
15 Suburban Bus Division, the Commuter Rail Division and the
16 Chicago Transit Authority and any other subsidized carrier
17 when authorized by the Legislative Audit Commission. Such
18 audit may be a financial, management or program audit, or any
19 combination thereof.

20 The audit shall determine whether they are operating in
21 accordance with all applicable laws and regulations. Subject
22 to the limitations of this Act, the Legislative Audit
23 Commission may by resolution specify additional determinations
24 to be included in the scope of the audit.

25 In addition to the foregoing, the Auditor General must
26 also conduct a financial audit of the Illinois Sports

1 Facilities Authority's expenditures of public funds in
2 connection with the reconstruction, renovation, remodeling,
3 extension, or improvement of all or substantially all of any
4 existing "facility", as that term is defined in the Illinois
5 Sports Facilities Authority Act.

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7 authorized by the Legislative Audit Commission, of any
8 hospital which receives 10% or more of its gross revenues from
9 payments from the State of Illinois, Department of Healthcare
10 and Family Services (formerly Department of Public Aid),
11 Medical Assistance Program.

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13 compliance audits of the Illinois Distance Learning Foundation
14 and the Illinois Conservation Foundation.

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16 date of Public Act 89-386), the Auditor General shall conduct
17 a compliance and management audit of the City of Chicago and
18 any other entity with regard to the operation of Chicago
19 O'Hare International Airport, Chicago Midway Airport and
20 Merrill C. Meigs Field. The audit shall include, but not be
21 limited to, an examination of revenues, expenses, and
22 transfers of funds; purchasing and contracting policies and
23 practices; staffing levels; and hiring practices and
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6 compliance audit of the books and records of any county water
7 commission organized pursuant to the Water Commission Act of
8 1985 and shall file a copy of the report of that audit with the
9 Governor and the Legislative Audit Commission. The filed audit
10 shall be open to the public for inspection. The cost of the
11 audit shall be charged to the county water commission in
12 accordance with Section 6z-27 of the State Finance Act. The
13 county water commission shall make available to the Auditor
14 General its books and records and any other documentation,
15 whether in the possession of its trustees or other parties,
16 necessary to conduct the audit required. These audit
17 requirements apply only through July 1, 2007.

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26 accordance with subsections (d) and (f) of Section 30 of the

1 Innovation Development and Economy Act.

2 The Auditor General shall conduct a compliance audit in
3 accordance with subsections (d) and (g) of Section 5-45 of the
4 Statewide Innovation Development and Economy Act.

5 (Source: P.A. 104-2, eff. 6-16-25; 104-457, eff. 6-1-26.)

6 Section 10-15. The State Finance Act is amended by
7 changing Sections 6z-18 and 6z-20 and by adding Section 5.1038
8 as follows:

9 (30 ILCS 105/5.1038 new)

10 Sec. 5.1038. The Capital City Downtown Medical District
11 Income Fund.

12 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

13 Sec. 6z-18. Local Government Tax Fund. A portion of the
14 money paid into the Local Government Tax Fund from sales of
15 tangible personal property taxed at the 1% rate under the
16 Retailers' Occupation Tax Act and the Service Occupation Tax
17 Act, which occurred in municipalities, shall be distributed to
18 each municipality based upon the sales which occurred in that
19 municipality. The remainder shall be distributed to each
20 county based upon the sales which occurred in the
21 unincorporated area of that county.

22 Moneys transferred from the Grocery Tax Replacement Fund
23 to the Local Government Tax Fund under Section 6z-130 shall be

1 treated under this Section in the same manner as if they had
2 been remitted with the return on which they were reported.

3 A portion of the money paid into the Local Government Tax
4 Fund from the 6.25% general use tax rate on the selling price
5 of tangible personal property which is purchased outside
6 Illinois at retail from a retailer and which is titled or
7 registered by any agency of this State's government shall be
8 distributed to municipalities as provided in this paragraph.
9 Each municipality shall receive the amount attributable to
10 sales for which Illinois addresses for titling or registration
11 purposes are given as being in such municipality. The
12 remainder of the money paid into the Local Government Tax Fund
13 from such sales shall be distributed to counties. Each county
14 shall receive the amount attributable to sales for which
15 Illinois addresses for titling or registration purposes are
16 given as being located in the unincorporated area of such
17 county.

18 A portion of the money paid into the Local Government Tax
19 Fund from the 6.25% general rate (and, beginning July 1, 2000
20 and through December 31, 2000, the 1.25% rate on motor fuel and
21 gasohol, and beginning on August 6, 2010 through August 15,
22 2010, and beginning again on August 5, 2022 through August 14,
23 2022, the 1.25% rate on sales tax holiday items) on sales
24 subject to taxation under the Retailers' Occupation Tax Act
25 and the Service Occupation Tax Act, which occurred in
26 municipalities, shall be distributed to each municipality,

1 based upon the sales which occurred in that municipality. The
2 remainder shall be distributed to each county, based upon the
3 sales which occurred in the unincorporated area of such
4 county.

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

14 Whenever the Department determines that a refund of money
15 paid into the Local Government Tax Fund should be made to a
16 claimant instead of issuing a credit memorandum, the
17 Department shall notify the State Comptroller, who shall cause
18 the order to be drawn for the amount specified, and to the
19 person named, in such notification from the Department. Such
20 refund shall be paid by the State Treasurer out of the Local
21 Government Tax Fund.

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

1 in the Innovation Development and Economy Act, collected
2 during the second preceding calendar month for sales within a
3 STAR bond district and deposited into the Local Government Tax
4 Fund, less 3% of that amount, which shall be transferred into
5 the Tax Compliance and Administration Fund and shall be used
6 by the Department, subject to appropriation, to cover the
7 costs of the Department in administering the Innovation
8 Development and Economy Act.

9 As soon as possible after the first day of each month,
10 beginning July 1, 2026, upon certification of the Department
11 of Revenue, the Comptroller shall order transferred, and the
12 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
13 local sales tax increment, as defined in the Statewide
14 Innovation Development and Economy Act, collected during the
15 second preceding calendar month for sales within a STAR bond
16 district and deposited into the Local Government Tax Fund,
17 less 3% of that amount, which shall be transferred to the Tax
18 Compliance and Administration Fund and shall be used by the
19 Department, subject to appropriation, to cover the costs of
20 the Department in administering the Statewide Innovation
21 Development and Economy Act.

22 After the monthly transfers ~~transfer~~ to the STAR Bonds
23 Revenue Fund, on or before the 25th day of each calendar month,
24 the Department shall prepare and certify to the Comptroller
25 the disbursement of stated sums of money to named
26 municipalities and counties, the municipalities and counties

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

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

1 the 6 months preceding the time a misallocation is discovered.

2 The provisions directing the distributions from the
3 special fund in the State treasury provided for in this
4 Section shall constitute an irrevocable and continuing
5 appropriation of all amounts as provided herein. The State
6 Treasurer and State Comptroller are hereby authorized to make
7 distributions as provided in this Section.

8 In construing any development, redevelopment, annexation,
9 preannexation, or other lawful agreement in effect prior to
10 September 1, 1990, which describes or refers to receipts from
11 a county or municipal retailers' occupation tax, use tax or
12 service occupation tax which now cannot be imposed, such
13 description or reference shall be deemed to include the
14 replacement revenue for such abolished taxes, distributed from
15 the Local Government Tax Fund.

16 As soon as possible after March 8, 2013 (the effective
17 date of Public Act 98-3), the State Comptroller shall order
18 and the State Treasurer shall transfer \$6,600,000 from the
19 Local Government Tax Fund to the Illinois State Medical
20 Disciplinary Fund.

21 (Source: P.A. 102-700, Article 60, Section 60-10, eff.
22 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;
23 103-154, eff. 6-30-23.)

24 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

25 (Text of Section before amendment by P.A. 104-457)

1 Sec. 6z-20. County and Mass Transit District Fund. Of the
2 money received from the 6.25% general rate (and, beginning
3 July 1, 2000 and through December 31, 2000, the 1.25% rate on
4 motor fuel and gasohol, and beginning on August 6, 2010
5 through August 15, 2010, and beginning again on August 5, 2022
6 through August 14, 2022, the 1.25% rate on sales tax holiday
7 items) on sales subject to taxation under the Retailers'
8 Occupation Tax Act and Service Occupation Tax Act and paid
9 into the County and Mass Transit District Fund, distribution
10 to the Regional Transportation Authority tax fund, created
11 pursuant to Section 4.03 of the Regional Transportation
12 Authority Act, for deposit therein shall be made based upon
13 the retail sales occurring in a county having more than
14 3,000,000 inhabitants. The remainder shall be distributed to
15 each county having 3,000,000 or fewer inhabitants based upon
16 the retail sales occurring in each such county.

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

26 Of the money received from the 6.25% general use tax rate

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

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

1 As soon as possible after the first day of each month,
2 beginning January 1, 2011, upon certification of the
3 Department of Revenue, the Comptroller shall order
4 transferred, and the Treasurer shall transfer, to the STAR
5 Bonds Revenue Fund the local sales tax increment, as defined
6 in the Innovation Development and Economy Act, collected
7 during the second preceding calendar month for sales within a
8 STAR bond district and deposited into the County and Mass
9 Transit District Fund, less 3% of that amount, which shall be
10 transferred into the Tax Compliance and Administration Fund
11 and shall be used by the Department, subject to appropriation,
12 to cover the costs of the Department in administering the
13 Innovation Development and Economy Act.

14 After the monthly transfer to the STAR Bonds Revenue Fund,
15 on or before the 25th day of each calendar month, the
16 Department shall prepare and certify to the Comptroller the
17 disbursement of stated sums of money to the Regional
18 Transportation Authority and to named counties, the counties
19 to be those entitled to distribution, as hereinabove provided,
20 of taxes or penalties paid to the Department during the second
21 preceding calendar month. The amount to be paid to the
22 Regional Transportation Authority and each county having
23 3,000,000 or fewer inhabitants shall be the amount (not
24 including credit memoranda) collected during the second
25 preceding calendar month by the Department and paid into the
26 County and Mass Transit District Fund, plus an amount the

1 Department determines is necessary to offset any amounts which
2 were erroneously paid to a different taxing body, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department, and not
5 including any amount which the Department determines is
6 necessary to offset any amounts which were payable to a
7 different taxing body but were erroneously paid to the
8 Regional Transportation Authority or county, and not including
9 any amounts that are transferred to the STAR Bonds Revenue
10 Fund, less 1.5% of the amount to be paid to the Regional
11 Transportation Authority, which shall be transferred into the
12 Tax Compliance and Administration Fund. The Department, at the
13 time of each monthly disbursement to the Regional
14 Transportation Authority, shall prepare and certify to the
15 State Comptroller the amount to be transferred into the Tax
16 Compliance and Administration Fund under this Section. Within
17 10 days after receipt, by the Comptroller, of the disbursement
18 certification to the Regional Transportation Authority,
19 counties, and the Tax Compliance and Administration Fund
20 provided for in this Section to be given to the Comptroller by
21 the Department, the Comptroller shall cause the orders to be
22 drawn for the respective amounts in accordance with the
23 directions contained in such certification.

24 When certifying the amount of a monthly disbursement to
25 the Regional Transportation Authority or to a county under
26 this Section, the Department shall increase or decrease that

1 amount by an amount necessary to offset any misallocation of
2 previous disbursements. The offset amount shall be the amount
3 erroneously disbursed within the 6 months preceding the time a
4 misallocation is discovered.

5 The provisions directing the distributions from the
6 special fund in the State treasury ~~Treasury~~ provided for in
7 this Section and from the Regional Transportation Authority
8 tax fund created by Section 4.03 of the Regional
9 Transportation Authority Act shall constitute an irrevocable
10 and continuing appropriation of all amounts as provided
11 herein. The State Treasurer and State Comptroller are hereby
12 authorized to make distributions as provided in this Section.

13 In construing any development, redevelopment, annexation,
14 preannexation or other lawful agreement in effect prior to
15 September 1, 1990, which describes or refers to receipts from
16 a county or municipal retailers' occupation tax, use tax or
17 service occupation tax which now cannot be imposed, such
18 description or reference shall be deemed to include the
19 replacement revenue for such abolished taxes, distributed from
20 the County and Mass Transit District Fund or Local Government
21 Distributive Fund, as the case may be.

22 (Source: P.A. 102-700, eff. 4-19-22.)

23 (Text of Section after amendment by P.A. 104-457)

24 Sec. 6z-20. County and Mass Transit District Fund. Of the
25 money received from the 6.25% general rate (and, beginning

1 July 1, 2000 and through December 31, 2000, the 1.25% rate on
2 motor fuel and gasohol, and beginning on August 6, 2010
3 through August 15, 2010, and beginning again on August 5, 2022
4 through August 14, 2022, the 1.25% rate on sales tax holiday
5 items) on sales subject to taxation under the Retailers'
6 Occupation Tax Act and Service Occupation Tax Act and paid
7 into the County and Mass Transit District Fund, distribution
8 to the Northern Illinois Transit Authority tax fund, created
9 pursuant to Section 4.03 of the Northern Illinois Transit
10 Authority Act, for deposit therein shall be made based upon
11 the retail sales occurring in a county having more than
12 3,000,000 inhabitants. The remainder shall be distributed to
13 each county having 3,000,000 or fewer inhabitants based upon
14 the retail sales occurring in each such county.

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

24 Of the money received from the 6.25% general use tax rate
25 on tangible personal property which is purchased outside
26 Illinois at retail from a retailer and which is titled or

1 registered by any agency of this State's government and paid
2 into the County and Mass Transit District Fund, the amount for
3 which Illinois addresses for titling or registration purposes
4 are given as being in each county having more than 3,000,000
5 inhabitants shall be distributed into the Northern Illinois
6 Transit Authority tax fund, created pursuant to Section 4.03
7 of the Northern Illinois Transit Authority Act. The remainder
8 of the money paid from such sales shall be distributed to each
9 county based on sales for which Illinois addresses for titling
10 or registration purposes are given as being located in the
11 county. Any money paid into the Northern Illinois Transit
12 Authority Occupation and Use Tax Replacement Fund from the
13 County and Mass Transit District Fund prior to January 14,
14 1991, which has not been paid to the Authority prior to that
15 date, shall be transferred to the Northern Illinois Transit
16 Authority tax fund.

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

25 As soon as possible after the first day of each month,
26 beginning January 1, 2011, upon certification of the

1 Department of Revenue, the Comptroller shall order
2 transferred, and the Treasurer shall transfer, to the STAR
3 Bonds Revenue Fund the local sales tax increment, as defined
4 in the Innovation Development and Economy Act, collected
5 during the second preceding calendar month for sales within a
6 STAR bond district and deposited into the County and Mass
7 Transit District Fund, less 3% of that amount, which shall be
8 transferred into the Tax Compliance and Administration Fund
9 and shall be used by the Department, subject to appropriation,
10 to cover the costs of the Department in administering the
11 Innovation Development and Economy Act.

12 As soon as possible after the first day of each month,
13 beginning July 1, 2026, upon certification of the Department
14 of Revenue, the Comptroller shall order transferred, and the
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
16 local sales tax increment, as defined in the Statewide
17 Innovation Development and Economy Act, collected during the
18 second preceding calendar month for sales within a STAR bond
19 district and deposited into the County and Mass Transit
20 District Fund, less 3% of that amount, which shall be
21 transferred into the Tax Compliance and Administration Fund
22 and shall be used by the Department, subject to appropriation,
23 to cover the costs of the Department in administering the
24 Statewide Innovation Development and Economy Act.

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

1 the Department shall prepare and certify to the Comptroller
2 the disbursement of stated sums of money to the Northern
3 Illinois Transit Authority and to named counties, the counties
4 to be those entitled to distribution, as hereinabove provided,
5 of taxes or penalties paid to the Department during the second
6 preceding calendar month. The amount to be paid to the
7 Northern Illinois Transit Authority and each county having
8 3,000,000 or fewer inhabitants shall be the amount (not
9 including credit memoranda) collected during the second
10 preceding calendar month by the Department and paid into the
11 County and Mass Transit District Fund, plus an amount the
12 Department determines is necessary to offset any amounts which
13 were erroneously paid to a different taxing body, and not
14 including an amount equal to the amount of refunds made during
15 the second preceding calendar month by the Department, and not
16 including any amount which the Department determines is
17 necessary to offset any amounts which were payable to a
18 different taxing body but were erroneously paid to the
19 Northern Illinois Transit Authority or county, and not
20 including any amounts that are transferred to the STAR Bonds
21 Revenue Fund, less 1.5% of the amount to be paid to the
22 Northern Illinois Transit Authority, which shall be
23 transferred into the Tax Compliance and Administration Fund.
24 The Department, at the time of each monthly disbursement to
25 the Northern Illinois Transit Authority, shall prepare and
26 certify to the State Comptroller the amount to be transferred

1 into the Tax Compliance and Administration Fund under this
2 Section. Within 10 days after receipt, by the Comptroller, of
3 the disbursement certification to the Northern Illinois
4 Transit Authority, counties, and the Tax Compliance and
5 Administration Fund provided for in this Section to be given
6 to the Comptroller by the Department, the Comptroller shall
7 cause the orders to be drawn for the respective amounts in
8 accordance with the directions contained in such
9 certification.

10 When certifying the amount of a monthly disbursement to
11 the Northern Illinois Transit Authority or to a county under
12 this Section, the Department shall increase or decrease that
13 amount by an amount necessary to offset any misallocation of
14 previous disbursements. The offset amount shall be the amount
15 erroneously disbursed within the 6 months preceding the time a
16 misallocation is discovered.

17 The provisions directing the distributions from the
18 special fund in the State treasury provided for in this
19 Section and from the Northern Illinois Transit Authority tax
20 fund created by Section 4.03 of the Northern Illinois Transit
21 Authority Act shall constitute an irrevocable and continuing
22 appropriation of all amounts as provided herein. The State
23 Treasurer and State Comptroller are hereby authorized to make
24 distributions as provided in this Section.

25 In construing any development, redevelopment, annexation,
26 preannexation or other lawful agreement in effect prior to

1 September 1, 1990, which describes or refers to receipts from
2 a county or municipal retailers' occupation tax, use tax or
3 service occupation tax which now cannot be imposed, such
4 description or reference shall be deemed to include the
5 replacement revenue for such abolished taxes, distributed from
6 the County and Mass Transit District Fund or Local Government
7 Distributive Fund, as the case may be.

8 (Source: P.A. 104-457, eff. 6-1-26.)

9 (30 ILCS 105/5.593 rep.)

10 (30 ILCS 105/6z-60 rep.)

11 Section 10-17. The State Finance Act is amended by
12 repealing Sections 5.593 and 6z-60.

13 Section 10-20. The Illinois Income Tax Act is amended by
14 adding Sections 221.5 and 221.6 as follows:

15 (35 ILCS 5/221.5 new)

16 Sec. 221.5. Rehabilitation costs; qualified historic
17 properties; Capital City Downtown Medical District.

18 (a) As used in this Section:

19 "Phased rehabilitation" means a project that is completed
20 in phases, as defined under Section 47 of the federal Internal
21 Revenue Code and pursuant to National Park Service regulations
22 at 36 C.F.R. 67.

23 "Placed in service" means the date when the property is

1 placed in a condition or state of readiness and availability
2 for a specifically assigned function as defined under Section
3 47 of the federal Internal Revenue Code and federal Treasury
4 Regulation Sections 1.46 and 1.48.

5 "Qualified expenditure" means all the costs and expenses
6 defined as qualified rehabilitation expenditures under Section
7 47 of the federal Internal Revenue Code that were incurred in
8 connection with a qualified historic structure.

9 "Qualified historic structure" means a certified historic
10 structure as defined under Section 47(c)(3) of the federal
11 Internal Revenue Code.

12 "Qualified rehabilitation plan" means a project that is
13 approved by the Department of Natural Resources and the
14 National Park Service as being consistent with the United
15 States Secretary of the Interior's Standards for
16 Rehabilitation.

17 "Qualified taxpayer" means the owner of the qualified
18 historic structure or any other person who qualifies for the
19 federal rehabilitation credit allowed by Section 47 of the
20 federal Internal Revenue Code with respect to that qualified
21 historic structure.

22 (b) For taxable years beginning on or after January 1,
23 2027, there shall be allowed a tax credit against the tax
24 imposed by subsections (a) and (b) of Section 201 of this Act
25 in an aggregate amount equal to 25% of the qualified
26 expenditures incurred by a qualified taxpayer in the

1 restoration and preservation of a qualified historic structure
2 located within the bounds of the Capital City Downtown Medical
3 District pursuant to a qualified rehabilitation plan, provided
4 that the total amount of such expenditures must (i) equal
5 \$5,000 or more and (ii) exceed the adjusted basis of the
6 qualified historic structure on the first day the qualified
7 rehabilitation plan begins. For any rehabilitation project,
8 regardless of duration or number of phases, the project's
9 compliance with items (i) and (ii) shall be determined based
10 on the aggregate amount of qualified expenditures for the
11 entire project and may include expenditures incurred under
12 subsection (a), this subsection, or both subsection (a) and
13 this subsection. If the qualified rehabilitation plan spans
14 multiple years, the aggregate credit for the entire project
15 shall be allowed in the last taxable year, except for phased
16 rehabilitation projects, which may receive credits upon
17 completion of each phase. Before obtaining the first phased
18 credit, the total amount of such expenditures must meet the
19 requirements of items (i) and (ii) and the rehabilitated
20 portion of the qualified historic structure must be placed in
21 service.

22 If the taxpayer is a partnership or subchapter S
23 corporation, the credit shall be allowed to the partners or
24 shareholders in accordance with the provisions of Section 251.

25 (c) The credit or credits may not reduce the taxpayer's
26 liability to less than zero. If the amount of the credit or

1 credits exceeds the taxpayer's liability, the excess may be
2 carried forward and applied against the taxpayer's liability
3 in the 5 taxable years following the excess credit year. The
4 credit or credits shall be applied to the earliest year for
5 which there is a tax liability. If there are credits from more
6 than one taxable year that are available to offset a
7 liability, the earlier credit shall be applied first.

8 (d) To obtain a tax credit pursuant to this Section, the
9 taxpayer must apply to the Department of Natural Resources.
10 The Department of Natural Resources shall determine the amount
11 of eligible rehabilitation costs and expenses within 45 days
12 of receipt of a complete application. The taxpayer must submit
13 a certification of costs prepared by an independent certified
14 public accountant that certifies (i) the project expenses,
15 (ii) whether those expenses are qualified expenditures, and
16 (iii) that the qualified expenditures exceed the adjusted
17 basis of the qualified historic structure on the first day the
18 qualified rehabilitation plan commenced. The Department of
19 Natural Resources is authorized, but not required, to accept
20 this certification of costs to determine the amount of
21 qualified expenditures and the amount of the credit. The
22 Department of Natural Resources shall provide guidance as to
23 the minimum standards to be followed in the preparation of the
24 certification. The Department of Natural Resources and the
25 National Park Service shall determine whether the
26 rehabilitation is consistent with the United States Secretary

1 of the Interior's Standards for Rehabilitation.

2 (e) Upon completion of the project and approval of the
3 complete application, the Department of Natural Resources
4 shall issue a single certificate in the amount of the eligible
5 credits equal to 25% of the qualified expenditures incurred by
6 the taxpayer during the eligible taxable years, as defined in
7 subsection (b), excepting any phased credits issued prior to
8 the eligible taxable year under subsection (b). At the time
9 the certificate is issued, an issuance fee up to the maximum
10 amount of 2% of the amount of the credits issued by the
11 certificate may be collected from the applicant to administer
12 the provisions of this Section. If collected, this issuance
13 fee shall be deposited into the Historic Property
14 Administrative Fund, a special fund created in the State
15 treasury. Subject to appropriation, moneys in the Historic
16 Property Administrative Fund shall be provided to the
17 Department of Natural Resources as reimbursement for the costs
18 associated with administering this Section.

19 (f) The taxpayer must attach the certificate to the tax
20 return on which the credits are to be claimed.

21 (g) Subject to appropriation, moneys in the Historic
22 Property Administrative Fund shall be used, on a biennial
23 basis on and after June 30, 2029, to hire a qualified third
24 party to prepare a biennial report to assess the overall
25 economic impact to the State from the qualified rehabilitation
26 projects under this Section completed in that fiscal year and

1 in previous fiscal years. The overall economic impact shall
2 include at least: (1) the direct and indirect or induced
3 economic impacts of completed projects; (2) temporary,
4 permanent, and construction jobs created; (3) sales, income,
5 and property tax generation before construction, during
6 construction, and after completion; and (4) indirect
7 neighborhood impact after completion. The report shall be
8 submitted to the Governor and the General Assembly. The report
9 to the General Assembly shall be filed with the Clerk of the
10 House of Representatives and the Secretary of the Senate in
11 electronic form only, in the manner that the Clerk and the
12 Secretary shall direct.

13 (h) The Department of Natural Resources may adopt rules to
14 implement this Section in addition to the rules expressly
15 authorized in this Section.

16 (i) This Section is exempt from the provisions of Section
17 250.

18 (35 ILCS 5/221.6 new)

19 Sec. 221.6. Capital city construction jobs credit.

20 (a) As used in this Section:

21 "Capital city construction jobs credit" means:

22 (1) an amount equal to 50% of the incremental income
23 tax attributable to capital city construction employees
24 employed on a capital city construction jobs project not
25 located in an underserved area; or

1 (2) an amount equal to 75% of the incremental income
2 tax attributable to capital city construction employees
3 employed on a capital city construction jobs project
4 located in an underserved area.

5 "Capital city construction jobs project" means a project
6 that involves the construction of a structure or building or
7 the making of improvements of any kind to real property that
8 is: (i) located in a Capital City Redevelopment Zone and (ii)
9 built or improved in the course of completing a qualified
10 rehabilitation plan.

11 "Capital city construction jobs project" does not include
12 the routine operation, routine repair, or routine maintenance
13 of existing structures, buildings, or real property.

14 "Incremental income tax" means means the total amount
15 withheld during the taxable year from the compensation of
16 capital city construction jobs employees under Article 7 of
17 this Act.

18 "Qualified rehabilitation plan" means a project that is
19 approved by the Department of Natural Resources and the
20 National Park Service as being consistent with the United
21 States Secretary of the Interior's Standards for
22 Rehabilitation.

23 "Underserved area" means a geographic area that meets one
24 or more of the following conditions:

25 (1) the area has a poverty rate of at least 20%
26 according to the latest American Community Survey;

1 (2) 35% or more of the families with children in the
2 area are living below 130% of the poverty line, according
3 to the latest American Community Survey;

4 (3) at least 20% of the households in the area receive
5 assistance under the Supplemental Nutrition Assistance
6 Program (SNAP); or

7 (4) the area has an average unemployment rate, as
8 determined by the Department of Employment Security, that
9 is more than 120% of the national unemployment average, as
10 determined by the United States Department of Labor, for a
11 period of at least 2 consecutive calendar years preceding
12 the date of the application.

13 (b) For taxable years beginning on or after January 1,
14 2027, a taxpayer may receive a tax credit against the tax
15 imposed under subsections (a) and (b) of Section 201 of this
16 Act in an amount equal to 50%, or 75% if the project is located
17 in an underserved area, of the amount of the incremental
18 income tax attributable to construction wages paid to capital
19 city construction jobs employees employed in the course of
20 completing a capital city construction jobs project. The
21 credit allowed under this Section shall apply only to
22 taxpayers that make a capital investment of at least
23 \$1,000,000 in a qualified rehabilitation plan.

24 (c) A taxpayer seeking a credit under this Section must
25 submit an application to the Department of Commerce and
26 Economic Opportunity describing the nature and benefit of the

1 capital city construction jobs project to the qualified
2 rehabilitation project and the Capital City Redevelopment
3 Zone. The Department of Commerce and Economic Opportunity may
4 adopt any necessary rules in order to administer the
5 provisions of this Section.

6 (d) Within 45 days after the receipt of an application,
7 the Department of Commerce and Economic Opportunity shall give
8 notice to the applicant as to whether the application has been
9 approved or disapproved. If the Department of Commerce and
10 Economic Opportunity disapproves the application, it shall
11 specify the reasons for this decision and allow 60 days for the
12 applicant to amend and resubmit its application. The
13 Department of Commerce and Economic Opportunity shall provide
14 assistance upon request of the applicant. Resubmitted
15 applications shall receive the Department of Commerce and
16 Economic Opportunity's approval or disapproval within 30 days
17 of resubmission. Those resubmitted applications satisfying
18 initial Department of Commerce and Economic Opportunity
19 objectives shall be approved unless reasonable circumstances
20 warrant disapproval.

21 (e) On an annual basis, the taxpayer shall furnish a
22 statement to the Department of Commerce and Economic
23 Opportunity on the programmatic and financial status of any
24 approved project and an audited financial statement of the
25 project.

26 (f) The Department of Commerce and Economic Opportunity

1 shall certify to the Department of Revenue the identity of the
2 taxpayers who are eligible for capital city construction jobs
3 credits and the amounts of capital city construction jobs
4 credits awarded in each taxable year.

5 (g) The credit or credits may not reduce the taxpayer's
6 liability to less than zero. If the amount of the credit or
7 credits exceeds the taxpayer's liability, the excess may be
8 carried forward and applied against the taxpayer's liability
9 in the 5 taxable years following the excess credit year. The
10 credit or credits shall be applied to the earliest year for
11 which there is a tax liability. If there are credits from more
12 than one taxable year that are available to offset a
13 liability, the earlier credit shall be applied first.

14 (h) The prevailing wage requirements set forth in the
15 Prevailing Wage Act apply to each project that is entitled to a
16 construction jobs credit under this Section.

17 (i) This Section is exempt from the provisions of Section
18 250.

19 Section 10-25. The Property Tax Code is amended by adding
20 Division 23 to Article 10 as follows:

21 (35 ILCS 200/Art. 10 Div. 23 heading new)

22 Division 23. Megaprojects

23 (35 ILCS 200/10-1010 new)

1 Sec. 10-1010. Megaproject Assessment Freeze and Payment
2 Law; definitions. This Division 23 may be cited as the
3 Megaproject Assessment Freeze and Payment Law.

4 As used in this Division:

5 "Assessment officer" means the chief county assessment
6 officer of the county in which the megaproject is located.

7 "Assessment period" means the period beginning on the
8 first day of the calendar year after the calendar year in which
9 a megaproject is placed in service and ending on the date when
10 the megaproject no longer qualifies as a megaproject under
11 this Division.

12 "Base year" means:

13 (1) the calendar year prior to the calendar year in
14 which the Department issues the megaproject certificate,
15 if the Department issues a megaproject certificate for a
16 project located on the property without granting
17 preliminary approval for the project under Section
18 10-1040; or

19 (2) the calendar year prior to the calendar year in
20 which the Department grants that preliminary approval, if
21 the Department grants preliminary approval under Section
22 10-1040 for a megaproject located on the property.

23 "Base year valuation" means the assessed value, in the
24 base year, of the property comprising the megaproject.

25 "Company" means one or more entities whose aggregate
26 investment in the megaproject meets the minimum investment

1 required under this Division. The term "company" includes a
2 company affiliate unless the context clearly indicates
3 otherwise.

4 "Company affiliate" means an entity that joins with or is
5 an affiliate of a company and that participates in the
6 investment in, or financing of, a megaproject.

7 "Consumer Price Index" means the index published by the
8 Bureau of Labor Statistics of the United States Department of
9 Labor that measures the average change in prices of goods and
10 services purchased by all urban consumers, United States city
11 average, all items, 1982-84 = 100.

12 "Department" means the Department of Commerce and Economic
13 Opportunity.

14 "Eligible costs" means all costs incurred by or on behalf
15 of, or allocated to, a company, prior to the Department's
16 issuance of the megaproject certificate or during the
17 investment period, to create or construct a megaproject.

18 "Eligible costs" includes, without limitation:

19 (1) the purchase, site preparation, renovation,
20 rehabilitation, and construction of land, buildings,
21 structures, equipment, and furnishings used for or in the
22 megaproject;

23 (2) any goods or services for the megaproject that are
24 purchased and capitalized under generally accepted
25 accounting principles, including any organizational costs
26 and research and development costs incurred in Illinois;

1 (3) capitalized lease costs for land, buildings,
2 structures, and equipment valued at their present value
3 using the interest rate at which the company borrows funds
4 prevailing at the time the company entered into the lease;

5 (4) infrastructure development costs;

6 (5) debt service and project financing costs;

7 (6) noncapitalized research and development costs;

8 (7) job training and education costs;

9 (8) lease and relocation costs; and

10 (9) remediation costs, as defined in Section 58.2 of
11 the Environmental Protection Act, incurred voluntarily as
12 a nonresponsible party pursuant to Title XVII of the
13 Environmental Protection Act and rules adopted under that
14 Title.

15 "Entity" means a sole proprietor, partnership, firm,
16 corporation, limited liability company, association, or other
17 business enterprise.

18 "Incentive agreement" means an agreement that is between a
19 company and a local municipality, that is for the benefit of
20 the entire community, and that obligates the company to make
21 the special payment under this Division, in addition to paying
22 property taxes, during the incentive period for a megaproject.

23 "Incentive period" means the period beginning on the first
24 day of the calendar year after the calendar year in which the
25 megaproject is placed in service and each calendar year
26 thereafter until the earlier of (i) the termination date or

1 (ii) the revocation of the megaproject certificate.

2 "Investment period" means the period ending 7 years after
3 the date on which the Department issues the megaproject
4 certificate, or such other longer period of time as the local
5 municipality and the company may agree to, not to exceed an
6 initial period of 10 years.

7 "Local municipality" means the city, village, or
8 incorporated town in which the megaproject is located or, if
9 the megaproject is located in an unincorporated area, the
10 county in which the megaproject is located.

11 "Local review board" means a group that consists of one
12 representative of each of the following: (i) the local
13 municipality; (ii) each local school district in which the
14 property is located; (iii) each local park district in which
15 the property is located; and (iv) each other taxing district
16 that levies property taxes over any portion of the proposed
17 site of the megaproject.

18 "Megaproject" means a project that is expected to satisfy
19 the minimum investment requirements; investment period
20 requirements; and other requirements of this Division.

21 "Megaproject" includes an RREDY megaproject.

22 "Megaproject certificate" means a certificate issued by
23 the Department that authorizes an assessment freeze and
24 special payments as provided in this Division.

25 "Minimum investment" means:

26 (1) an investment during the investment period in the

1 megaproject of at least \$100,000,000 but less than
2 \$500,000,000 in eligible costs within the investment
3 period; or

4 (2) an investment during the investment period in the
5 megaproject of at least \$500,000,000 but less than
6 \$1,000,000,000 in eligible costs within the investment
7 period; or

8 (3) an investment during the investment period in the
9 megaproject of at least \$1,000,000,000 in eligible costs
10 within the investment period.

11 "Minority person" means a person who is a citizen or
12 lawful permanent resident of the United States and who is any
13 of the following:

14 (1) American Indian or Alaska Native (a person having
15 origins in any of the original peoples of North and South
16 America, including Central America, and who maintains
17 tribal affiliation or community attachment).

18 (2) Asian (a person having origins in any of the
19 original peoples of the Far East, Southeast Asia, or the
20 Indian subcontinent, including, but not limited to,
21 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
22 the Philippine Islands, Thailand, and Vietnam).

23 (3) Black or African American (a person having origins
24 in any of the black racial groups of Africa).

25 (4) Hispanic or Latino (a person of Cuban, Mexican,
26 Puerto Rican, South or Central American, or other Spanish

1 culture or origin, regardless of race).

2 (5) Native Hawaiian or Other Pacific Islander (a
3 person having origins in any of the original peoples of
4 Hawaii, Guam, Samoa, or other Pacific Islands).

5 "Minority-owned business" means a business that is at
6 least 51% owned by one or more minority persons, or that, in
7 the case of a corporation, has at least 51% of its stock owned
8 by one or more minority persons, and that, in either case, is
9 managed and operated on a daily basis by one or more of the
10 minority individuals who own the business.

11 "Placed in service" means that the company has commenced
12 its business operations at the megaproject site and has met
13 its minimum investment requirements under this Section.

14 "Project" means land, buildings, and other improvements on
15 the land of a megaproject or RREDY megaproject, including
16 water facilities, sewage treatment and disposal facilities,
17 and all other machinery, apparatuses, equipment, office
18 facilities, related infrastructure, and furnishings that are
19 considered necessary, suitable, or useful by a company and
20 comprise the development of the megaproject or RREDY
21 megaproject, including all of that property that is subject to
22 assessment under the Property Tax Code.

23 "Project labor agreement" means a prehire collective
24 bargaining agreement that covers all terms and conditions of
25 employment between the general contractor and all
26 subcontractors hired by the master developer, developer,

1 codevelopers, as applicable, of a megaproject. A "project
2 labor agreement" must include the following provisions: (1) a
3 provision establishing the minimum hourly wage for each class
4 of labor organization; (2) a provision establishing the
5 benefits and other compensation for each class of labor
6 organization employee; (3) a provision requiring that no
7 strike or dispute will be engaged in by the labor organization
8 employees; (4) a provision requiring that no lockout or
9 dispute will be engaged in by the general contractor and all
10 subcontractors building the project; and (5) a provision
11 establishing goals for apprenticeship hours to be performed by
12 minority persons and women and goals for total hours to be
13 performed by minority persons and women, as those terms are
14 defined in the Business Enterprise for Minorities, Women, and
15 Persons with Disabilities Act. A "project labor agreement" may
16 include other terms and conditions as necessary.

17 "Railroad Rehabilitation and Economic Development for
18 Yards megaproject" or "RREDY megaproject" means a megaproject
19 that (i) is expected to satisfy the additional minimum
20 investment requirements, investment period requirements, and
21 other requirements of this Division, (ii) includes the
22 improvement and redevelopment of blighted or underused rail
23 yards, railroad tracks, train maintenance and storage
24 facilities, and other rail infrastructure, including the land,
25 air rights, or land and air rights above, and (iii) meets the
26 requirements of subsection (c) of Section 10-1015 of this

1 Division.

2 "Special payment" means the annual amount paid in addition
3 to property taxes paid during the incentive period as provided
4 in the incentive agreement.

5 "Taxing district" has the meaning given to that term in
6 Section 1-150.

7 "Termination date" means:

8 (1) for a company making the minimum investment
9 described in paragraph (1) of the definition of "minimum
10 investment" in this Section, 25 years following the first
11 calendar year in which a megaproject is placed in service
12 or 30 years if the preparation of the site required
13 environmental remediation under any applicable State or
14 federal laws;

15 (2) for a company making the minimum investment
16 described in paragraph (2) of the definition of "minimum
17 investment" in this Section, 30 years following the first
18 calendar year in which a megaproject is placed in service
19 or 35 years if the preparation of the site required
20 environmental remediation under any applicable State or
21 federal laws; or

22 (3) for a company making the minimum investment
23 described in paragraph (3) of the definition of "minimum
24 investment" in this Section, 40 years following the first
25 calendar year in which a megaproject is placed in service
26 or 45 years if the preparation of the site required

1 environmental remediation under any applicable State or
2 federal laws.

3 "Termination date" means, for an RREDY megaproject, 40
4 years following the first calendar year in which a megaproject
5 is placed in service.

6 If the incentive agreement is terminated under Section
7 10-1037, then the termination date is the date the agreement
8 is terminated.

9 (35 ILCS 200/10-1015 new)

10 Sec. 10-1015. Valuation during incentive period;
11 eligibility.

12 (a) Property that receives a megaproject certificate from
13 the Department is eligible for an assessment freeze, as
14 provided in this Division, eliminating from consideration, for
15 assessment purposes during the incentive period, the value
16 added to the property by the project and limiting the total
17 valuation of the property during the incentive period to the
18 base year valuation. If the company does not anticipate
19 completing the project within the investment period, then the
20 local municipality may approve one or more extensions of time
21 to complete the project. However, the local municipality may
22 not extend the project for a period that exceeds 5 years after
23 the last day of the investment period, including any extension
24 of the investment period agreed to by the local municipality
25 and the company under Section 10-1010. Unless approved as part

1 of the original incentive agreement, the corporate authorities
2 of the local municipality may approve an extension under this
3 subsection by resolution, a copy of which must be delivered to
4 the Department within 30 days after the date the resolution is
5 adopted.

6 (b) To qualify for the assessment freeze for a
7 megaproject, other than an RREDY megaproject, the company
8 must:

9 (1) make the minimum investment in the megaproject
10 during the investment period;

11 (2) enter into an incentive agreement with the local
12 municipality as described in this Division;

13 (3) enter into a project labor agreement prior to the
14 commencement of any demolition, building construction, or
15 building renovation related to the megaproject; and

16 (4) establish the goal of awarding 20% of the total
17 dollar amount of contracts that are related to the
18 megaproject and are awarded by the company during each
19 calendar year to minority-owned businesses.

20 (c) To qualify for the assessment freeze for an RREDY
21 megaproject, the company must:

22 (1) meet the requirements for a megaproject set forth
23 in paragraphs (1) through (5) of subsection (b);

24 (2) develop and deliver capital improvements on land,
25 within air rights, or on land and within air rights that
26 meet the following additional requirements:

1 (A) the megaproject is located in a municipality
2 with a population of 2,000,000 or more;

3 (B) not less than 75% of the cost of land and
4 project improvements are infrastructure costs;

5 (C) the megaproject is found, by an independent,
6 third-party feasibility analysis, to present a unique
7 opportunity for economic development and activating an
8 underdeveloped portion of land that could complement
9 existing civic assets;

10 (D) the project is found, by an independent,
11 third-party feasibility analysis within a reasonable
12 order of magnitude that reflects key inputs, to have
13 the potential to result in not less than
14 \$40,000,000,000 in aggregate new tax revenues to all
15 taxing jurisdictions over not less than 40 years; and

16 (E) the project is found by an independent,
17 third-party feasibility analysis, to have the
18 potential to result in an increase in regional transit
19 ridership by not less than 10,000 average daily
20 boardings.

21 (d) For the purposes of this Division, if a single company
22 enters into a financing arrangement of the type described in
23 subsection (b) of Section 10-1050, the investment in or
24 financing of the property by a developer, lessor, financing
25 entity, or other third party in accordance with this
26 arrangement is considered investment by the company.

1 Investment by a related person to the company is considered
2 investment by the company.

3 (35 ILCS 200/10-1020 new)

4 Sec. 10-1020. Incentive agreement; assessment freeze for
5 megaprojects; incentive period; location of the project;
6 criteria to qualify.

7 (a) To obtain the benefits provided in this Division, the
8 company shall apply in writing to the local municipality to
9 enter into an incentive agreement with the municipality, in
10 the form and manner required by the local municipality, and
11 shall certify to the facts asserted in the application.

12 (b) The corporate authorities of the local municipality,
13 prior to entering into an incentive agreement under this
14 Section, shall hold a public hearing to consider the
15 application. The amount and terms of the proposed special
16 payment and the duration of the incentive agreement shall be
17 considered at the public hearing.

18 (c) The local municipality may not enter into, alter, or
19 amend an incentive agreement under this Division unless and
20 until all of the following are considered and approved by a
21 majority of the members of a local review board, in accordance
22 with the weighted vote set forth below:

23 (1) the base year;

24 (2) the base year valuation, which may be subject to
25 adjustment based on factors memorialized in the incentive

1 agreement, including an annual rate adjustment equal to
2 the annual percentage change in the Consumer Price Index,
3 if negotiated;

4 (3) the amount of the special payment, including the
5 manner in which the payment will adjust over time;

6 (4) the manner in which sufficient revenues will be
7 generated and provided, either by the megaproject or by
8 alternative sources, to address the extraordinary capital
9 needs of the local school districts that will be incurred
10 to meet the demands of new students who (i) reside within
11 housing units constructed as part of a master development
12 plan that includes the megaproject site and (ii) are
13 anticipated to attend a school under the jurisdiction of a
14 local school district; and

15 (5) the adjustment of the amount of the special
16 payment in accordance with changes in the Consumer Price
17 Index, as negotiated.

18 In addition, the local review board may not approve an
19 incentive agreement unless it finds that the agreement is
20 reasonably designed to prevent local school districts from
21 receiving less than the base-year school revenue amount,
22 adjusted annually by the percentage change, if any, in the
23 Consumer Price Index.

24 As duly appointed officials representing their respective
25 bodies, local review board members are entrusted to keep in
26 mind the best interests of the entire affected community area

1 of the project for the short and long term. Members are
2 expected to review the project reports and information, where
3 provided and applicable, on behalf of the constituents they
4 represent. The board may request additional documentation from
5 the applicant to inform its review as the board deems
6 necessary to render a decision. This documentation shall
7 include a school impact analysis with a statement of projected
8 enrollment effects and, where necessary, a mitigation plan for
9 extraordinary capital burdens. The local review board shall
10 consist of one representative of each of the following: (i)
11 the local municipality; (ii) each local school district in
12 which the property is located; (iii) each local park district
13 in which the property is located; and (iv) each other taxing
14 district that levies property taxes over any portion of the
15 proposed site of the megaproject. Except for an RREDY
16 megaproject, the vote of the local review board shall be
17 weighted in proportion to each voting member's taxing
18 district's share of property taxes levied on the proposed site
19 of the megaproject, and each taxing district's vote shall be
20 weighted on a 100-point scale to reflect its proportionate
21 share of the applicable property taxes. All plan documents
22 relied upon by the municipality in its review of the
23 application for an incentive agreement under this Division
24 shall be provided to the local review board. The local review
25 board may make reasonable requests of the municipality for
26 additional documents related to the megaproject. All meetings

1 of the local review board shall be open to the public and
2 subject to the requirements of the Open Meetings Act. For an
3 RREDY megaproject, the local review board shall follow the
4 procedural requirements of a joint review board under Section
5 11-74.4-5 of the Illinois Municipal Code.

6 (d) The company and the local municipality shall enter
7 into an incentive agreement requiring the special payment
8 described in Section 10-1025. The corporate authorities of the
9 local municipality shall adopt an ordinance approving the
10 incentive agreement.

11 (e) As used in this Section, "Consumer Price Index" means
12 the index published by the Bureau of Labor Statistics of the
13 United States Department of Labor that measures the average
14 change in prices of goods and services purchased by all urban
15 consumers, United States city average, all items, 1982-84 =
16 100.

17 (35 ILCS 200/10-1025 new)

18 Sec. 10-1025. Contents of incentive agreement.

19 (a) The incentive agreement under Section 10-1020 must
20 require the company to pay, or be responsible for the payment
21 of, an annual special payment to the local municipality,
22 beginning with the first tax year for which the assessment
23 freeze under this Division is applied to the megaproject. The
24 amount of the special payment shall be established in the
25 incentive agreement. It may be a fixed amount for the duration

1 of the incentive period or may be subject to adjustment based
2 on factors memorialized in the incentive agreement, including
3 an annual rate adjustment equal to the annual percentage
4 change in the Consumer Price Index, if negotiated. The amount
5 of the special payment may exceed but shall be at least 10% of
6 the property tax levied against the megaproject property for
7 the year immediately preceding the base year; provided,
8 however, that this requirement does not apply to any project
9 with an investment expected to exceed \$2,000,000,000.

10 (b) The incentive agreement shall obligate the company to
11 operate the megaproject at the designated project location for
12 a minimum of 20 years.

13 (b-5) The incentive agreement shall obligate the company
14 to enter into a labor peace agreement as provided in Section
15 10-1026.

16 (c) The incentive agreement may contain such other terms
17 and conditions as are mutually agreeable to the local
18 municipality and the company and are consistent with the
19 requirements of this Division, including, without limitation,
20 operational and job creation requirements.

21 (d) In addition, all incentive agreements entered into
22 under Section 10-1020 must include, as the first portion of
23 the document, a recapitulation of the remaining contents of
24 the document, which shall include the following:

25 (1) the legal name of each party to the agreement;

26 (2) the street address of the project and the property

1 subject to the agreement;

2 (3) the agreed minimum investment;

3 (4) the term of the agreement;

4 (5) a schedule showing the amount of the special
5 payment and its calculation for each year of the
6 agreement;

7 (6) a schedule showing the amount to be distributed
8 annually to each taxing district, as set forth in the
9 incentive agreement;

10 (7) any other feature or aspect of the agreement which
11 may affect the calculation of items (5) and (6) of this
12 subsection;

13 (8) the party or parties to the agreement who are
14 responsible for updating the information contained in the
15 summary document; and

16 (9) a requirement that the company submit a
17 third-party agreed-upon procedures report verifying that
18 the project has been placed in service and that the
19 minimum investment requirements under this Division have
20 been met.

21 (35 ILCS 200/10-1026 new)

22 Sec. 10-1026. Labor peace agreement. Companies receiving
23 incentives under this Division shall have in place, at all
24 times during the incentive period, a labor peace agreement
25 with any bona fide labor organization that represents or is

1 attempting to represent any employees or vendors performing
2 work in connection with the megaproject. Companies receiving
3 incentives under this Division shall also require that any
4 vendor performing work in connection with the megaproject
5 enter into a labor peace agreement with any bona fide labor
6 organization that represents or is attempting to represent any
7 employees of a subcontractor who are performing work in
8 connection with the megaproject. The company must attest to
9 the Department each year, in the form and manner required by
10 the Department, that it remains in compliance with this
11 Section. If a company fails to comply with the provisions of
12 this Section, then the Department shall revoke the company's
13 megaproject certificate, and the incentive agreement shall be
14 terminated.

15 (35 ILCS 200/10-1030 new)

16 Sec. 10-1030. Installment bills; distribution of special
17 payments.

18 (a) The local municipality shall prepare a bill for the
19 company for each installment of the special payment according
20 to the schedule set forth in paragraph (5) of subsection (d) of
21 Section 10-1025, or as modified pursuant to paragraph (7) of
22 subsection (d) of Section 10-1025. The treasurer of the local
23 municipality shall deposit 50% of the special payment
24 proceeds, when collected, into a locally held property tax
25 relief fund. Moneys in the property tax relief fund shall be

1 allocated as follows:

2 (1) 60% of the moneys shall be used for property tax
3 rebates for residential homeowners in taxing districts in
4 which the megaproject is located; and

5 (2) 40% of the moneys shall be paid to the State
6 Treasurer for deposit into the Illinois Property Tax
7 Relief Fund created under Section 6z-113 of the State
8 Finance Act.

9 The local municipality shall, by ordinance or resolution,
10 establish eligibility standards and benefit amounts for
11 property tax rebates awarded under item (1).

12 (b) After deposits have been made into the property tax
13 relief fund under subsection (a), the municipality shall
14 distribute the remainder of the special payment to each
15 affected taxing district in an amount equal to the taxing
16 district's proportionate share of property taxes due and
17 payable for the megaproject site, as evidenced by the most
18 recent property tax bill issued for the megaproject site.

19 (c) Distribution to the taxing districts of the amounts
20 set forth in subsection (b) must be made within 60 days after
21 receipt by the local municipality of the special payment
22 amounts.

23 (d) Misallocations of the amounts distributed under
24 subsection (b) may be corrected by adjusting later
25 distributions, but these adjustments must be made in the next
26 succeeding year following identification and resolution of the

1 misallocation. To the extent that distributions have been made
2 improperly in previous years, claims for adjustment must be
3 made within one year of the distribution.

4 (e) A taxing district that receives and retains revenues
5 from a special payment under this Division may, in its
6 discretion and in accordance with applicable law, use all or a
7 portion of the revenues for the purposes of financing the
8 issuance of revenue bonds.

9 (35 ILCS 200/10-1037 new)

10 Sec. 10-1037. Termination of incentive agreement;
11 automatic termination; minimum level of investment required to
12 remain qualified for assessment freeze.

13 (a) The local municipality and the company may mutually
14 agree to terminate the incentive agreement at any time. From
15 the date of termination, the megaproject is subject to
16 assessment on the basis of the then-current fair cash value.

17 (b) An incentive agreement shall be terminated if the
18 company fails to satisfy the minimum investment level provided
19 in this Division. If the incentive agreement is terminated
20 under this subsection, the megaproject is subject to
21 assessment on the basis of the then-current fair cash value
22 beginning in the tax year during which the termination occurs.

23 (c) An incentive agreement shall terminate if, at any
24 time, the company no longer meets the minimum investment
25 requirements applicable to the company under this Division,

1 without regard to depreciation.

2 (35 ILCS 200/10-1038 new)

3 Sec. 10-1038. Megaproject administration. The
4 administration of a megaproject shall be under the
5 jurisdiction of the local municipality that approved the
6 incentive agreement by ordinance. Each local municipality that
7 approves an incentive agreement by ordinance shall, by
8 ordinance, designate a Megaproject Administrator for the
9 megaproject within its jurisdiction. A Megaproject
10 Administrator must be an officer or employee of the local
11 municipality. The Megaproject Administrator shall be the
12 liaison between the local municipality, the Department, and
13 the Department of Revenue. The Megaproject Administrator shall
14 be responsible for ensuring the company is complying with the
15 terms of the incentive agreement. The Megaproject
16 Administrator shall notify the chief county assessment officer
17 once the project is placed in service and is eligible for the
18 property tax assessment freeze pursuant to Section 10-1015.

19 (35 ILCS 200/10-1040 new)

20 Sec. 10-1040. Megaproject applications; certification as a
21 megaproject and revocation of certification.

22 (a) The Department shall receive applications for
23 megaproject certificates under this Division. The Department
24 shall promptly notify the assessment officer when the

1 Department receives an application under this Section.

2 (b) An applicant for a megaproject certificate under this
3 Division must provide evidence to the Department of a fully
4 executed incentive agreement between the company and the local
5 municipality, as described in this Division, and the
6 Department shall verify that the incentive agreement meets the
7 requirements of Section 10-1025.

8 (c) An applicant for a megaproject certificate under this
9 Division must provide evidence to the Department of a fully
10 executed project labor agreement prior to the commencement of
11 any demolition, building construction, or building renovation
12 at the project. The Department may approve an application
13 prior to the execution of the project labor agreement, but the
14 applicant shall provide evidence of a fully executed project
15 labor agreement prior to any demolition, building
16 construction, or building renovation at the project.

17 The project labor agreement must include the following
18 provisions:

19 (1) a provision establishing the minimum hourly wage
20 for each class of labor organization employee;

21 (2) a provision establishing the benefits and other
22 compensation for each class of labor organization
23 employee;

24 (3) a provision requiring that no strike or dispute
25 will be engaged in by the labor organization employees;

26 (4) a provision requiring that no lockout or dispute

1 will be engaged in by the general contractor or any
2 subcontractor building the project;

3 (5) a provision establishing goals for apprenticeship
4 hours to be performed by minority persons and women and
5 goals for total hours to be performed by minority persons
6 and women, as those terms are defined in the Business
7 Enterprise for Minorities, Women, and Persons with
8 Disabilities Act; and

9 (6) other provisions as necessary.

10 (d) An applicant for a megaproject certificate under this
11 Division must provide evidence to the Department that the
12 company has established the goal of awarding 20% of the total
13 dollar amount of contracts awarded during each calendar year
14 by the company, that are related to the project, to
15 minority-owned businesses.

16 (e) The Department shall also consider the economic
17 benefits the project brings to underserved communities.

18 (f) Except for an RREDY megaproject that meets not less
19 than the minimum affordable housing requirements of the
20 applicable local municipality, no project that contains any
21 residential dwelling units may be certified as a megaproject
22 under this Division.

23 (g) The Department shall approve an application for a
24 megaproject certificate if the Department finds that the
25 project meets the requirements of this Division.

26 (h) Upon approval of the application, the Department shall

1 issue a megaproject certificate to the applicant and transmit
2 a copy to the assessment officer and the Department of
3 Revenue. The certificate shall identify the property on which
4 the megaproject is located and state that the property is
5 eligible for the property tax assessment freeze pursuant to
6 Section 10-1015 once the project is placed in service.

7 (i) On May 1 of each calendar year following issuance of
8 the megaproject certificate, until the minimum investment
9 requirements have been met and the megaproject has been placed
10 in service, the company shall deliver a report to the
11 Department and Megaproject Administrator on the status of
12 construction or creation of the megaproject and the amount of
13 minimum investment made in the megaproject during the
14 preceding calendar year. If a project for which a certificate
15 has been issued has not met the minimum investment
16 requirements of this Division within the investment period,
17 the Department shall revoke the certificate by written notice
18 to the taxpayer of record and transmit a copy of the revocation
19 to the assessment officer.

20 (j) If the local municipality notifies the Department that
21 the incentive agreement between the company and the local
22 municipality has been terminated, the Department shall revoke
23 the certificate by written notice to the taxpayer of record
24 and transmit a copy of the revocation to the assessment
25 officer.

26 (k) Notwithstanding any other provision of this Section,

1 beginning 7 years after the effective date of this amendatory
2 Act of the 104th General Assembly, the Department shall not
3 approve any application for a megaproject.

4 (35 ILCS 200/10-1045 new)

5 Sec. 10-1045. Computation of valuation.

6 (a) Upon receipt of the megaproject certificate from the
7 Department, the assessment officer shall set the assessment of
8 the megaproject property based upon the terms of the incentive
9 agreement and shall make a notation on each statement of
10 assessment during the assessment period that the valuation of
11 the project is based upon the issuance of a megaproject
12 certificate.

13 (b) Upon revocation of a megaproject certificate, the
14 assessment officer shall compute the assessed valuation of the
15 project on the basis of the then-current fair cash value of the
16 property.

17 (35 ILCS 200/10-1050 new)

18 Sec. 10-1050. Transfers of interest in a megaproject;
19 sale-leaseback arrangement; requirements.

20 (a) Subject to the terms of the incentive agreement
21 between the company and the local municipality, ownership of
22 or any interest in the megaproject and any and all related
23 megaproject property, including, without limitation, transfers
24 of indirect beneficial interests and equity interests in a

1 company owning a megaproject, shall not affect the assessment
2 freeze or the validity of the megaproject certificate issued
3 under this Division. Notwithstanding the provisions of this
4 subsection, the incentive agreement shall be a covenant
5 running with the land.

6 (b) A company may enter into lending, financing, security,
7 leasing, or similar arrangements, or a succession of such
8 arrangements, with a financing entity concerning all or part
9 of a project, including, without limitation, a sale-leaseback
10 arrangement, equipment lease, build-to-suit lease, synthetic
11 lease, nordic lease, defeased tax benefit, or transfer lease,
12 an assignment, sublease, or similar arrangement, or succession
13 of those arrangements, with one or more financing entities
14 concerning all or part of a project, regardless of the
15 identity of the income tax or fee owner of the megaproject.
16 Neither the original transfer to the financing entity nor the
17 later transfer from the financing entity back to the company,
18 under terms in the sale-leaseback agreement, shall affect the
19 assessment freeze or the validity of the megaproject
20 certificate issued under this Division, regardless of whether
21 the income tax basis is changed for income tax purposes.

22 (c) The Department must receive notice of all transfers
23 undertaken with respect to the project to effect a financing.
24 Notice shall be made in writing within 60 days after the
25 transfer, shall identify each transferee, and shall contain
26 other information required by the Department with the

1 appropriate returns. Failure to meet this notice requirement
2 does not adversely affect the assessment freeze.

3 (35 ILCS 200/10-1055 new)

4 Sec. 10-1055. Minimum investment by company affiliates. To
5 be eligible for the benefits of this Division, a company must
6 invest the minimum investment. Investments by company
7 affiliates during the investment period for the project may be
8 applied toward the minimum investment under this Division
9 regardless of whether the company affiliate was part of the
10 project. To qualify for the assessment freeze, the minimum
11 investment must be made in connection with the megaproject.

12 (35 ILCS 200/10-1065 new)

13 Sec. 10-1065. Abatements. Any taxing district, upon a
14 majority vote of its governing authority, may, after the
15 determination of the assessed valuation as set forth in this
16 Division, order the clerk of the appropriate municipality or
17 county to abate any portion of real property taxes otherwise
18 levied or extended by the taxing district on a megaproject.

19 (35 ILCS 200/10-1067 new)

20 Sec. 10-1067. Building materials exemption.
21 Notwithstanding any other provision of law, sales of building
22 materials that will be incorporated into a megaproject and
23 that are purchased during the incentive period are eligible

1 for the same building materials exemption available to High
2 Impact Businesses under Section 51 of the Retailers'
3 Occupation Tax Act, which includes an exemption from the 6.25%
4 State rate of tax and any applicable local taxes. The
5 Department of Revenue shall issue a Building Materials
6 Exemption Certificate, in the form and manner described in
7 Section 51 of the Retailers' Occupation Tax Act, to each
8 construction contractor or other entity identified by the
9 company as being eligible for the building materials exemption
10 under this Section.

11 (35 ILCS 200/10-1070 new)

12 Sec. 10-1070. Filing of returns, contracts, and other
13 information; due date of payments and returns.

14 (a) The company and the local municipality shall file
15 notices, reports, and other information as required by the
16 Department.

17 (b) Special payments are due at the same time as property
18 tax payments and property tax returns are due for the
19 megaproject property.

20 (c) Failure to make a timely special payment results in
21 the assessment of penalties as if the payment were a
22 delinquent property tax payment or return.

23 (d) Within 30 days after the date of execution of an
24 incentive agreement, a copy of the incentive agreement must be
25 filed with the chief county assessment officer and the county

1 auditor for the county in which the megaproject is located.

2 (35 ILCS 200/10-1080 new)

3 Sec. 10-1080. Rules. The Department may adopt rules as
4 necessary to carry out the purpose of this Division.

5 (35 ILCS 200/10-1085 new)

6 Sec. 10-1085. Prohibition on multiple credits, exemptions,
7 and freezes. An applicant for a megaproject certificate who
8 qualifies for an assessment freeze under this Section is not
9 entitled to any other property tax credits, exemptions,
10 assessment freezes, or other preferential assessment relating
11 to the megaproject. The provisions of this Section do not
12 prohibit an applicant from receiving the incentive under
13 Section 10-1067.

14 (35 ILCS 200/10-1087 new)

15 Sec. 10-1087. Impact analysis. A local municipality that
16 has entered into an incentive agreement with a company shall
17 prepare and publish on its website a written impact analysis
18 concerning the effects of that agreement within 5 years after
19 the effective date of the incentive agreement and every 5
20 years thereafter for as long as the incentive agreement
21 remains in effect. A written copy of each impact analysis
22 shall be filed with the General Assembly as provided under
23 Section 3.1 of the General Assembly Organization Act.

1 (35 ILCS 200/10-1090 new)

2 Sec. 10-1090. Data centers; prohibited.

3 (a) As used in this Section, "data center" has the meaning
4 given in subsection (c) of Section 605-1025 of the Department
5 of Commerce and Economic Opportunity Law of the Civil
6 Administrative Code of Illinois.

7 (b) Notwithstanding any other provision of law, the
8 Department shall not approve any megaproject certificate
9 application that includes as part of the application the
10 development of any data center.

11 (35 ILCS 200/10-1091 new)

12 Sec. 10-1091. Ethics.

13 (a) No State or local elected official may knowingly
14 accept from an employee or agent of a company a free or
15 discounted ticket to a professional sporting event held at a
16 sports stadium that is constructed as part of a megaproject,
17 unless the free or discounted ticket is given or sold as part
18 of a promotion generally available to the public on the same
19 terms as generally available to the public.

20 (b) No person who participates personally and
21 substantially in the negotiation of a megaproject agreement on
22 behalf of a local municipality or taxing district, including,
23 but not limited to, any officer, agent, or employee of the
24 local municipality or taxing district or any lobbyist or

1 outside attorney employed by the local municipality or taxing
2 district, may, within a period of one year after the effective
3 date of the agreement, knowingly accept employment or receive
4 compensation or fees from a company that is a party to the
5 agreement.

6 (35 ILCS 200/10-1095 new)

7 Sec. 10-1095. Tax Increment Financing districts. Land,
8 including improvements thereon, designated as a megaproject
9 site under this Division 23 that is located within a
10 redevelopment project area designated under Division 74.4 of
11 Article 11 of the Illinois Municipal Code is eligible may not
12 receive both the benefits afforded property under this
13 Division and the benefits afforded property under Division
14 74.4 of Article 11 of the Illinois Municipal Code.

15 (35 ILCS 200/10-1098 new)

16 Sec. 10-1098. Invalidity. If all or any part of this
17 Division is determined to be unconstitutional or otherwise
18 unenforceable by a court of competent jurisdiction, a company
19 has 180 days from the date of the determination to transfer the
20 megaproject's title to an authorized economic development
21 authority, which may qualify for property tax assessment under
22 this Division or which may be exempt from property taxes.

23 Section 10-30. The Statewide Innovation Development and

1 Economy Act is amended by changing Sections 5-5, 5-10, 5-15,
2 5-20, 5-30, 5-35, 5-45, 5-50, 5-55, 5-70, and 5-75 as follows:

3 (50 ILCS 475/5-5)

4 Sec. 5-5. Purpose; findings.

5 (a) The General Assembly finds and declares that the
6 purpose of this Act is to promote, stimulate, and develop the
7 general and economic welfare of the State of Illinois and its
8 communities and to assist in the development and redevelopment
9 of major tourism, entertainment, retail, and related projects
10 within eligible areas of the State, thereby creating new jobs,
11 stimulating significant capital investment, and promoting the
12 general welfare of the citizens of this State, by authorizing
13 municipalities and counties to issue sales tax and revenue
14 (STAR) bonds for the financing of STAR bond projects, as
15 defined in Section 5-10, and to otherwise exercise the powers
16 and authorities granted to municipalities.

17 (b) The General Assembly further finds and declares that:

18 (1) It is the policy of the State, in the interest of
19 promoting the health, safety, morals, and general welfare
20 of all the people of the State, to provide incentives to
21 create new job opportunities, and to promote major
22 tourism, entertainment, retail, and related projects
23 within the State.

24 (2) It is in the public interest to limit the portion
25 of the aggregate proceeds of STAR bonds issued that are

1 derived from the State sales tax increment pledged to pay
2 STAR bonds in any STAR bond district ~~to not more than 50%~~
3 ~~of the total development costs for a STAR bond project in~~
4 ~~the STAR bond district~~ as set forth in subsection (g) of
5 Section 5-45.

6 (3) As a result of the costs of land assemblage,
7 financing, and infrastructure and other project costs, the
8 private sector, without the assistance contemplated in
9 this Act, is unable to develop major tourism,
10 entertainment, retail, and related projects in some parts
11 of the State.

12 (4) The type of projects for which this Act is
13 intended must be of a certain size and scope and must be
14 developed in a cohesive and comprehensive manner.

15 (5) The eligible tracts of land are more likely to
16 remain underused and undeveloped or to be developed in a
17 piecemeal manner resulting in inefficient and poorly
18 planned developments that do not maximize job creation,
19 job retention, and tax revenue generation within the
20 State.

21 (6) There are multiple eligible areas in the State
22 that could benefit from this Act.

23 (7) Investment in major tourism, entertainment,
24 retail, and related development within the State would
25 stimulate economic activity in the State, including the
26 creation and maintenance of jobs, the creation of new and

1 lasting infrastructure and other improvements, and the
2 attraction and retention of interstate tourists and
3 entertainment events that generate significant economic
4 activity.

5 (8) The continual encouragement, development, growth,
6 and expansion of major tourism, entertainment, retail, and
7 related projects within the State requires a cooperative
8 and continuous partnership between government and the
9 private sector.

10 (9) The State has a responsibility to help create a
11 favorable climate for new and improved job opportunities
12 for its citizens and to increase the tax base of the State
13 and its political subdivisions by encouraging development
14 of major retail and entertainment spaces within the State
15 by the private sector.

16 (10) The provision of additional incentives by the
17 State and its political subdivisions will relieve
18 conditions of unemployment, maintain existing levels of
19 employment, create new job opportunities, retain jobs
20 within the State, increase commerce within the State, and
21 increase the tax base of the State and its political
22 subdivisions.

23 (11) The powers conferred by this Act promote and
24 protect the health, safety, morals, and welfare of the
25 State and are for a public purpose and public use for which
26 public money and resources may be expended.

1 (12) The necessity in the public interest for the
2 provisions of this Act is hereby declared as a matter of
3 legislative determination.

4 (Source: P.A. 104-453, eff. 12-12-25.)

5 (50 ILCS 475/5-10)

6 Sec. 5-10. Definitions. In this Act:

7 "Base year" means the calendar year immediately before the
8 calendar year in which the Office of the Governor approves the
9 first STAR bond project within the STAR bond district.

10 "Commence work" means the manifest commencement of actual
11 operations on the development site, such as erecting a
12 building, site mobilization, general on-site and off-site
13 grading and utility installations, commencing design and
14 construction documentation, ordering lead-time materials,
15 excavating the ground to lay a foundation or a basement, or
16 work of like description that a reasonable person would
17 recognize as being done with the intention and purpose to
18 continue work until the project is completed.

19 "Corporate authority" or "corporate authorities" means the
20 county board of a county; the mayor and alderpersons or
21 similar body when the reference is to cities; the president
22 and trustees or similar body when the reference is to villages
23 or incorporated towns; and the council when the reference is
24 to municipalities under the commission form of government.

25 "De minimis amount" means an amount less than 15% of the

1 land area within a STAR bond district.

2 "Department" means the Department of Commerce and Economic
3 Opportunity.

4 "Developer" means any individual, corporation, trust,
5 estate, partnership, limited liability partnership, limited
6 liability company, or other entity. "Developer" does not
7 include a not-for-profit entity, political subdivision, or
8 other agency or instrumentality of the State.

9 "Development user" means an owner, operator, licensee,
10 codeveloper, subdeveloper, or tenant that: (i) operates a
11 business within a STAR bond district that is a retail store,
12 hotel, or entertainment venue; (ii) does not have another
13 Illinois location within a 15-mile ~~30-mile~~ radius at the time
14 of opening or, for a NOVA urban district, within a 2-mile
15 radius; and (iii) makes an initial capital investment,
16 including project costs and other direct costs, of not less
17 than \$30,000,000 for the business or, for a NOVA urban
18 district, makes in aggregate with other development users
19 capital investments, including project costs and other direct
20 costs, of not less than \$60,000,000.

21 "Director" means the Director of Commerce and Economic
22 Opportunity.

23 "Economic development region" means the counties
24 encompassed within any one of the 10 economic development
25 regions recognized by the Department on the effective date of
26 this Act.

1 "Eligible area" means, in respect of any STAR bond
2 district other than a NOVA urban district, contiguous parcels
3 of real property that meet all of the following: (i) the
4 property is directly and substantially benefited by the
5 proposed STAR bond district plan; (ii) at least 50% of the
6 total land area of the real property is located within an
7 underserved area, as defined by the Department at the time the
8 STAR bond district plan is submitted; (iii) the property is
9 located in an area with not less than 10,000 residents within a
10 5-mile radius of the proposed district; (iv) the property is
11 located 15 miles or less from either a State highway or federal
12 interstate highway. "Eligible area" means, in respect of a
13 NOVA urban district, contiguous parcels of real property,
14 including land, air rights, or land and air rights, that meet
15 all of the following: (i) the property is directly and
16 substantially benefited by the proposed STAR bond district
17 plan; (ii) the property includes one or more parcel boundaries
18 located within 2 miles or less from existing public assembly,
19 convention, and other civic and cultural facilities and
20 attractions directly and substantially benefited by the
21 proposed STAR bond district plan; (iii) the property is
22 located in an area with not less than 10,000 residents within a
23 2-mile radius of the proposed district; and (iv) the property
24 is located one-quarter mile or less from a commuter rail
25 station and either a State highway or federal interstate
26 highway. ~~and (v) the~~

1 For an area to be an eligible area, ~~is found by~~ the
2 governing body of the political subdivision must find that the
3 area meets ~~to meet~~ the following requirements:

4 (1) the use, condition, and character of the buildings
5 in the area, if any, are not consistent with the purposes
6 set forth in Section 5-5;

7 (2) a STAR bond district within the area is expected
8 to create or retain job opportunities within the political
9 subdivision;

10 (3) a STAR bond district within the area will serve to
11 further the development of adjacent areas;

12 (4) without the availability of STAR bonds, the
13 projects described in the STAR bond district plan would
14 not be feasible in the area;

15 (5) a STAR bond district will strengthen the
16 commercial sector of the political subdivision;

17 (6) a STAR bond district will enhance the tax base of
18 the political subdivision; and

19 (7) the formation of a STAR bond district is in the
20 best interest of the political subdivision.

21 The findings described in paragraphs (1) through (7) are
22 subject to the review process provided in subsections (e) and
23 (f) of Section 5-20.

24 For the purposes of this definition, the area may be
25 bisected by streets, highways, roads, alleys, railways, bike
26 paths, streams, rivers, ~~and~~ other waterways, and other public

1 land and facilities and still be deemed contiguous.

2 "Entertainment user" means an owner, operator, licensee,
3 developer, codeveloper, subdeveloper, or tenant that operates
4 a business within a STAR bond district whose primary purpose
5 is providing entertainment attractions, rides, or other
6 activities oriented toward the entertainment and amusement of
7 patrons, occupies not less than 50 acres of land within the
8 STAR bond district, and makes an initial capital investment,
9 including project costs and other direct and indirect costs,
10 of not less than \$150,000,000 for that venue. An entertainment
11 user may include restaurants, bars, hotels, retail
12 establishments, and other commercial, recreational, or
13 hospitality uses that are ancillary to or supportive of the
14 entertainment attractions and activities of the entertainment
15 user. The acreage and capital investment requirements set
16 forth in this Act apply to the entertainment user as a whole
17 and not to individual businesses, tenants, or users within the
18 designated area. Any businesses, tenants, or users operating
19 within an entertainment user designated area shall be
20 considered part of the entertainment user for purposes of this
21 Act. An entertainment user shall be considered as one
22 development user for purposes of any limitation related to the
23 number of development users in the definition of "State sales
24 tax increment" under this Act.

25 "Entertainment venue" means a business that has a primary
26 use of providing a venue for entertainment attractions,

1 destination-oriented retail facilities, corporate brand
2 development and entertainment-based media, rides, or other
3 activities oriented toward the entertainment and amusement of
4 its patrons.

5 "Feasibility study" means the feasibility study described
6 in subsection (b) of Section 5-30.

7 "Hotel" has the same meaning given to that term in Section
8 2 of the Hotel Operators' Occupation Tax Act.

9 "Infrastructure" means the public improvements and private
10 improvements that serve the public purposes set forth in
11 Section 5-5 of this Act and that benefit the STAR bond district
12 or any STAR bond projects, including, but not limited to,
13 streets, drives and driveways, traffic and directional signs
14 and signals, parking lots and parking facilities,
15 interchanges, highways, sidewalks, bridges, underpasses and
16 overpasses, bike and walking trails, landscaping and site
17 features, sanitary and storm sewers, ~~and~~ lift stations,
18 drainage conduits, channels, levees, canals, storm water
19 detention and retention facilities, utilities and utility
20 connections, utility distribution systems, railway and rail
21 yard improvements, transit stations and related facilities,
22 transit vehicles and mobility systems, digital media and
23 signage, substructure and foundations, structural slabs and
24 transfer structures, district energy facilities, low voltage
25 systems, mobilization and site preparation, earthwork and
26 earth retention systems, soil removal and remediation,

1 building enclosure systems, site improvements that serve as an
2 engineered barrier addressing ground level or below ground
3 level environmental contamination and remediation, vertical
4 circulation, water mains and extensions, and street and
5 parking lot lighting and connections.

6 "Local hotel tax" means any taxes received by a
7 municipality, county, or other local government entity arising
8 from transactions by all persons engaged in the business of
9 renting, leasing, or letting rooms in a hotel, as defined in
10 the Hotel Operators' Occupation Tax Act, within a STAR bond
11 district, imposed pursuant to Section 8-3-14 of the Illinois
12 Municipal Code or Section 5-1030 of the Counties Code.

13 "Local sales taxes" means any locally imposed taxes
14 received by a municipality, county, or other local
15 governmental entity arising from sales by retailers and
16 servicemen within a STAR bond district. "Local sales taxes"
17 includes business district sales taxes, taxes imposed under
18 Section 5-50, and that portion of the net revenue allocated
19 from the Local Government Tax Fund and the County and Mass
20 Transit District Fund to the municipality, county, or other
21 governmental entity under the Retailers' Occupation Tax Act,
22 the Use Tax Act, the Service Use Tax Act, and the Service
23 Occupation Tax Act from transactions at places of business
24 located in a STAR bond district. "Local sales taxes" does not
25 include (i) any taxes authorized under the Local Mass Transit
26 District Act or the Metro-East Park and Recreation District

1 Act for so long as the applicable taxing district does not
2 impose a tax on real property, (ii) any county school facility
3 and resources occupation taxes imposed under Section 5-1006.7
4 of the Counties Code, (iii) any taxes authorized under the
5 Flood Prevention District Act, (iv) any taxes authorized under
6 the Special County Occupation Tax For Public Safety, Public
7 Facilities, Mental Health, Substance Abuse, or Transportation
8 Law, (v) any taxes authorized under the Regional
9 Transportation Authority Act, (vi) any taxes authorized under
10 the County Motor Fuel Tax Law, or (vii) any taxes authorized
11 under the Municipal Motor Fuel Tax Law, or (viii) any locally
12 administered taxes committed to other uses by election of
13 voters or pledged to any bond repayment, other than STAR
14 bonds, prior to the approval of the STAR bond project.

15 "Local sales tax increment" means:

16 (1) with respect to local sales taxes administered by
17 a municipality, county, or other unit of local government,
18 that portion of the local sales tax that is in excess of
19 the aggregate local sales tax in the district for the same
20 month in the base year, as determined by the respective
21 municipality, county, or other unit of local government;
22 the Department of Revenue shall allocate the local sales
23 tax increment only if the local sales tax is administered
24 by the Department; and

25 (2) with respect to local sales taxes administered by
26 the Department of Revenue:

1 (A) except with respect to the 0.25% county
2 portion of the 6.25% State rate, all the local sales
3 tax paid by taxpayers in the district that is in excess
4 of the aggregate local sales tax paid by taxpayers in
5 the district for the same month in the base year, as
6 determined by the Department of Revenue; and

7 (B) with respect to the 0.25% county portion of
8 the 6.25% State rate, in the case of a STAR bond
9 district that is partially or wholly within a
10 municipality, that portion of the 0.25% county portion
11 of the 6.25% rate paid by taxpayers in the district for
12 sales made within the corporate limits of the
13 municipality that is in excess of the aggregate local
14 sales tax paid by taxpayers in the district for sales
15 made within the corporate limits of the municipality
16 for the same month in the base year, as determined by
17 the Department of Revenue, but only if the corporate
18 authorities of the county adopt an ordinance, and file
19 a copy of the ordinance with the Department of Revenue
20 within the same time frames as required for STAR bond
21 occupation taxes under Section 5-50, that designates
22 the taxes as part of the local sales tax increment
23 under this Act; and -

24 (3) with respect to any local hotel tax that is
25 administered and collected directly by a political
26 subdivision, if approved by the political subdivision,

1 that portion of the local hotel tax revenues that is in
2 excess of the amount of such tax revenues generated within
3 the STAR bond district that are in excess of the aggregate
4 hotel tax revenues generated within the district for the
5 same month in the base year, as determined by the
6 political subdivision.

7 "Market study" means a study to determine the ability of
8 the proposed STAR bond project to gain market share locally
9 and regionally and to remain profitable after the term of
10 repayment of STAR bonds.

11 "Master developer" means a developer cooperating with a
12 political subdivision to plan, develop, and implement a STAR
13 bond project plan for a STAR bond district. Subject to the
14 limitations of Section 5-40, the master developer may work
15 with and transfer certain development rights to other
16 developers for the purpose of implementing STAR bond project
17 plans and achieving the purposes of this Act. A master
18 developer for a STAR bond district shall be appointed by a
19 political subdivision in the resolution establishing the STAR
20 bond district or, in the case of a NOVA urban district, by the
21 State or the political subdivision, and the master developer
22 or its affiliate must, at the time of appointment, own or have
23 control of, through purchase agreements, option contracts, or
24 other means, not less than 50% of the acreage within the STAR
25 bond district. "Master developer" also means any successor
26 developer who has assumed the role and responsibilities of the

1 original master developer through the execution of an amended
2 master development agreement and has been approved as the
3 master developer through resolution by the applicable
4 political subdivision.

5 "Master development agreement" means an agreement between
6 the master developer (or any approved successor developers)
7 and the political subdivision or, in the case of a NOVA urban
8 district, the State, to govern a STAR bond district and any
9 STAR bond projects.

10 "Municipality" means the city, village, or incorporated
11 town in which a proposed STAR bond district is located.

12 "New Opportunities for Vacation and Adventure District" or
13 "NOVA district" means a STAR bond district that encompasses a
14 minimum of 300 ~~500~~ contiguous acres and, during the STAR bond
15 district plan approval process, demonstrates a reasonable
16 expectation of (1) producing a capital investment of at least
17 \$500,000,000, (2) generating not less than \$300,000,000 in
18 average annual gross sales over the life of the district, (3)
19 attracting at least 600,000 average annual ~~1,000,000~~ visitors
20 over the life of the district annually, and (4) creating a
21 minimum of 1,500 average annual jobs over the life of the
22 district.

23 "New Opportunities for Vacation and Adventure Urban
24 District" or "NOVA urban district" means a STAR bond district
25 that encompasses a minimum of 20 contiguous acres of land or
26 air rights and, during the STAR bond district plan approval

1 process, demonstrates a reasonable expectation of (1)
2 producing an initial capital investment of at least
3 \$1,000,000,000, of which 75% shall be infrastructure project
4 costs, (2) generating not less than \$450,000,000 in average
5 annual gross sales over the life of the district, (3)
6 attracting at least 2,000,000 average annual visitors over the
7 life of the district, and (4) creating a minimum of 3,000
8 average annual jobs over the life of the district.

9 "Pledged STAR revenues" means those sales tax revenues and
10 other sources of funds that are pledged to pay debt service on
11 STAR bonds or to pay project costs under Section 5-45.
12 Notwithstanding any provision of law to the contrary, any
13 State sales tax increment or local sales tax increment from a
14 retail entity initiating operations in a STAR bond district
15 while terminating operations at another Illinois location
16 within 25 miles of the STAR bond district or, for a NOVA urban
17 district, within 2 miles of the STAR bond district shall not
18 constitute pledged STAR revenues or be available to pay
19 principal and interest on STAR bonds. For purposes of this
20 definition, "terminating operations" means a closing of a
21 retail operation that is directly related to the opening of
22 the same operation or like retail entity owned or operated by
23 more than 50% of the original ownership in a STAR bond district
24 within one year before or after initiating operations in the
25 STAR bond district, but it does not mean closing an operation
26 for reasons beyond the control of the retail entity, as

1 documented by the retail entity, subject to a reasonable
2 finding by the municipality (or county if such retail
3 operation is not located within a municipality) in which the
4 terminated operations were located that the closed location
5 contained inadequate space, had become economically obsolete,
6 or was no longer a viable location for the retailer or
7 serviceperson.

8 "Political subdivision" means a municipality or county
9 that undertakes to establish a STAR bond district under the
10 provisions of this Act.

11 "Professional sports" means any of the following sports at
12 the major league level: baseball, basketball, football, or ice
13 hockey.

14 "Project costs" means the total of all costs incurred or
15 estimated to be incurred on or after the date of establishment
16 of a STAR bond district that are reasonable or necessary to
17 implement a STAR bond district plan or any STAR bond project
18 plans, or both, including costs incurred for public
19 improvements and private improvements that serve the public
20 purposes set forth in Section 5-5 of this Act. "Project costs"
21 includes, without limitation:

22 (1) costs of studies, surveys, development of plans
23 and specifications, formation, implementation, and
24 administration of a STAR bond district, STAR bond district
25 plan, any STAR bond projects, or any STAR bond project
26 plans, including, but not limited to, staff and

1 professional service costs for architectural, engineering,
2 legal, financial, planning, or other services; however, no
3 charges for professional services may be based on a
4 percentage of the tax increment collected, and no
5 contracts for professional services, excluding
6 architectural and engineering services, may be entered
7 into if the terms of the contract extend beyond a period of
8 3 years;

9 (2) property assembly costs, including, but not
10 limited to, costs related to:

11 (A) the acquisition of land and other real
12 property or rights or interests in the land or other
13 real property located within the boundaries of a STAR
14 bond district;

15 (B) the demolition of buildings, site preparation,
16 and site improvements that serve as an engineered
17 barrier addressing ground level or below ground
18 environmental contamination, including, but not
19 limited to, parking lots and other concrete or asphalt
20 barriers; and

21 (C) the clearing and grading of land and the
22 importing of additional soil and fill materials or the
23 removal of soil and fill materials from the site;

24 (3) subject to paragraph (6), the costs of buildings
25 and other vertical improvements that are located within
26 the boundaries of a STAR bond district and are owned by a

1 political subdivision or other public entity, including
2 without limitation police and fire stations, educational
3 facilities, and public restrooms and rest areas;

4 (4) costs of buildings and other vertical improvements
5 that are located within: (i) the boundaries of a STAR bond
6 district and are owned by a development user, except that
7 only 4 development users, other than a hotel or
8 entertainment venue, in a STAR bond district and one hotel
9 are eligible to include the cost of those vertical
10 improvements as project costs, or (ii) the boundaries of a
11 NOVA district;

12 (5) costs of the following vertical improvements that
13 are located within (i) the boundaries of a STAR bond
14 district and owned by an entertainment venue, except that
15 only one entertainment venue in a STAR bond district is
16 eligible to include the cost of those vertical
17 improvements as project costs, or (ii) a NOVA district:

18 (A) buildings;

19 (B) rides and attractions, including, but not
20 limited to, carousels, slides, roller coasters,
21 displays, models, towers, works of art, and similar
22 theme and amusement park improvements; and

23 (C) other vertical improvements;

24 (6) costs of the design and construction of
25 infrastructure and public works located within the
26 boundaries of a STAR bond district that are reasonable or

1 necessary to implement a STAR bond district plan or any
2 STAR bond project plans, or both, except that "project
3 costs" does not include the cost of constructing a new
4 municipal public building principally used to provide
5 offices, storage space, or conference facilities or
6 vehicle storage, maintenance, or repair for
7 administrative, public safety, or public works personnel
8 and that is not intended to replace an existing public
9 building unless the political subdivision makes a
10 reasonable determination in a STAR bond district plan or
11 any STAR bond project plans, supported by information that
12 provides the basis for that determination, that the new
13 municipal building is required to meet an increase in the
14 need for public safety purposes anticipated to result from
15 the implementation of the STAR bond district plan or any
16 STAR bond project plans;

17 (7) costs of the design and construction of the
18 following improvements located outside the boundaries of a
19 STAR bond district but within a 2-mile radius of the
20 boundaries of a STAR bond district if the costs are
21 essential to further the purpose and development of a STAR
22 bond district plan and consist of one or more of the
23 following: and either (i) ~~part of and connected to~~ sewer,
24 water, or utility service lines that physically connect to
25 the STAR bond district, ~~or~~ (ii) significant improvements
26 for adjacent off-site highways, streets, roadways, and

1 interchanges that are approved by the Department of
2 Transportation, or (iii) transit facilities and
3 improvements undertaken with the applicable transit
4 agency. No other cost of infrastructure and public works
5 improvements located outside the boundaries of a STAR bond
6 district may be deemed project costs;

7 (8) costs of job training and retraining projects for
8 current and future employees of development users,
9 including programs implemented by businesses located
10 within a STAR bond district;

11 (9) financing costs, including, but not limited to,
12 all necessary and incidental expenses related to the
13 issuance of obligations and the payment of interest on any
14 obligations issued under this Act, including interest
15 accruing during the estimated period of construction of
16 any improvements in a STAR bond district or any STAR bond
17 projects for which such obligations are issued and for not
18 exceeding 36 months thereafter and including reasonable
19 reserves related thereto;

20 (10) interest costs incurred by a developer for
21 project costs related to the acquisition, formation,
22 implementation, development, construction, and
23 administration of a STAR bond district, STAR bond district
24 plan, STAR bond projects, or any STAR bond project plans
25 if:

26 (A) payment of the costs in any one year may not

1 exceed 30% of the annual interest costs incurred by
2 the developer with regard to the STAR bond district or
3 any STAR bond projects during that year; and

4 (B) the total of the interest payments paid under
5 this Act may not exceed 30% of the total cost paid or
6 incurred by the developer for a STAR bond district or
7 STAR bond projects, plus project costs, excluding any
8 property assembly costs incurred by a political
9 subdivision under this Act;

10 (11) to the extent the political subdivision by
11 written agreement accepts and approves the same, all or a
12 portion of a taxing district's capital costs resulting
13 from a STAR bond district or STAR bond projects
14 necessarily incurred or to be incurred within a taxing
15 district in furtherance of the objectives of a STAR bond
16 district plan or STAR bond project plans;

17 (12) costs of common areas located within the
18 boundaries of a STAR bond district;

19 (13) costs of landscaping and plantings, retaining
20 walls and fences, artificial lakes and ponds, shelters,
21 benches, lighting, and similar amenities located within
22 the boundaries of a STAR bond district;

23 (14) costs of mounted building signs, site monuments,
24 and pylon signs located within the boundaries of a STAR
25 bond district; or

26 (15) if included in the STAR bond district plan and

1 approved in writing by the Director, salaries or a portion
2 of salaries for local government employees to the extent
3 the same are directly attributable to the work of those
4 employees on the establishment and management of a STAR
5 bond district or any STAR bond project.

6 Except as specified in items (1) through (15) of this
7 definition, "project costs" does not include:

8 (A) the cost of construction of buildings that are
9 owned by a municipality or county and leased to a
10 development user for uses other than as a retail store,
11 hotel, or entertainment venue;

12 (B) moving expenses for employees of the businesses
13 locating within the STAR bond district;

14 (C) property taxes for property located in the STAR
15 bond district;

16 (D) lobbying costs; ~~and~~

17 (E) general overhead or administrative costs of the
18 political subdivision that would still have been incurred
19 by the political subdivision if the political subdivision
20 had not established a STAR bond district; and -

21 (F) the cost of construction of a professional sports
22 stadium building.

23 "Project development agreement" means any one or more
24 agreements, including any amendments to that agreement or
25 those agreements, between a master developer and any
26 codeveloper or subdeveloper in connection with a STAR bond

1 project, which project development agreement may include the
2 political subdivision as a party.

3 "Project labor agreement" means a prehire collective
4 bargaining agreement that covers all terms and conditions of
5 employment between the general contractor and all
6 subcontractors hired by the master developer, developer,
7 codeveloper, or subdeveloper, as applicable, of a STAR bond
8 project. A "project labor agreement" must include the
9 following provisions: (1) a provision establishing the minimum
10 hourly wage for each class of labor organization employee; (2)
11 a provision establishing the benefits and other compensation
12 for each class of labor organization employee; (3) a provision
13 requiring that no strike or dispute will be engaged in by the
14 labor organization employees; (4) a provision requiring that
15 no lockout or dispute will be engaged in by the general
16 contractor and all subcontractors building the project; and
17 (5) a provision establishing goals for apprenticeship hours to
18 be performed by minority persons and women and goals for total
19 hours to be performed by minority persons and women, as those
20 terms are defined in the Business Enterprise for Minorities,
21 Women, and Persons with Disabilities Act. A "project labor
22 agreement" may include other terms and conditions as
23 necessary.

24 "Projected market area" means any area within the State in
25 which a STAR bond district or STAR bond project is projected to
26 have a significant fiscal or market impact as determined by

1 the Director.

2 "Resolution" means a resolution, order, ordinance, or
3 other appropriate form of legislative action of a political
4 subdivision or other applicable public entity approved by a
5 vote of a majority of a quorum at a meeting of the governing
6 body of the political subdivision or applicable public entity.

7 "STAR bond" means a sales tax and revenue bond, note, or
8 other obligation payable from pledged STAR revenues and issued
9 by a political subdivision, the proceeds of which shall be
10 used only to pay project costs as defined in this Act.

11 "STAR bond district" means the specific area that is
12 declared to be an eligible area by the political subdivision,
13 that has received approval by the State, and in which the
14 political subdivision may develop one or more STAR bond
15 projects.

16 "STAR bond district plan" means the preliminary or
17 conceptual plan that generally identifies the proposed STAR
18 bond project areas and identifies in a general manner the
19 buildings, facilities, and improvements to be constructed or
20 improved in each STAR bond project area or, for a NOVA urban
21 district, the STAR bond district plan may also include a
22 specific STAR bond project.

23 "STAR bond project" means a project that is located within
24 a STAR bond district and that is approved under Section 5-30.

25 "STAR bond project area" means the geographic area within
26 a STAR bond district in which there may be one or more STAR

1 bond projects.

2 "STAR bond project plan" means the written plan adopted by
3 a political subdivision for the development of a STAR bond
4 project in a STAR bond district; the plan may include, but is
5 not limited to, (i) project costs incurred prior to the date of
6 the STAR bond project plan and estimated future STAR bond
7 project costs, (ii) proposed sources of funds to pay those
8 costs, (iii) the nature and estimated term of any obligations
9 to be issued by the political subdivision to pay those costs,
10 (iv) the most recent equalized assessed valuation of the STAR
11 bond project area, (v) an estimate of the equalized assessed
12 valuation of the STAR bond district or applicable project area
13 after completion of a STAR bond project, (vi) a general
14 description of the types of any known or proposed developers
15 or development, ~~users, or tenants~~ of the STAR bond project or
16 projects included in the plan, (vii) a general description of
17 the type, structure, and character of the property or
18 facilities to be developed or improved, (viii) a description
19 of the general land uses to apply to the STAR bond project, and
20 (ix) a general description or an estimate of the type, class,
21 and number of employees to be employed in the operation of the
22 STAR bond project.

23 "State sales tax" means all the net revenue realized under
24 the Retailers' Occupation Tax Act, the Use Tax Act, the
25 Service Use Tax Act, and the Service Occupation Tax Act from
26 transactions at places of business located within a STAR bond

1 district, excluding that portion of the net revenue realized
2 under the Retailers' Occupation Tax Act, the Use Tax Act, the
3 Service Use Tax Act, and the Service Occupation Tax Act from
4 transactions at places of business located within a STAR bond
5 district that is deposited into the Local Government Tax Fund
6 and the County and Mass Transit District Fund.

7 "State sales tax increment" means:

8 (1) with respect to all STAR bond districts that do
9 not qualify as NOVA districts or NOVA urban districts:

10 (A) 100% of that portion of the aggregate State
11 sales tax that is in excess of the aggregate State
12 sales tax for the same month in the base year, as
13 determined by the Department of Revenue, from
14 transactions at up to 4 development users located
15 within a STAR bond district, which development users
16 shall be designated by the master developer and
17 approved by the political subdivision and the Director
18 of Revenue in conjunction with the applicable STAR
19 bond project approval, and may thereafter be
20 designated or modified, no more than once per year, by
21 the master developer, subject to the approval of the
22 political subdivision and the Director of Revenue,
23 including the designation of additional development
24 users and an entertainment user, provided that no more
25 than 4 development users shall be designated and
26 approved at any time; and

1 (B) 25% of that portion of the aggregate State
2 sales tax that is in excess of the aggregate State
3 sales tax for the same month in the base year, as
4 determined by the Department of Revenue from all other
5 transactions within a STAR bond district; ~~and~~

6 (2) with respect to all NOVA districts:

7 (A) 100% of that portion of the State sales tax
8 that is in excess of the State sales tax for the same
9 month in the base year, as determined by the
10 Department of Revenue, from transactions at up to 4
11 development users ~~located~~, which development users
12 shall be designated by the master developer and
13 approved by the political subdivision and the Director
14 of Revenue in conjunction with the applicable STAR
15 bond project approval; and

16 (B) 50% of that portion of the State sales tax that
17 is in excess of the State sales tax for the same month
18 in the base year from all other transactions within
19 the NOVA district; ~~and-~~

20 (3) with respect to all NOVA urban districts, 100% of
21 that portion of the State sales tax that is in excess of
22 the State sales tax for the same month in the base year, as
23 determined by the Department of Revenue, from all
24 transactions within the NOVA urban district.

25 "Substantial change" means a change in which the proposed
26 STAR bond project plan differs substantially in size, scope,

1 or use from the approved STAR bond district plan or STAR bond
2 project plan.

3 "Taxpayer" means an individual, partnership, corporation,
4 limited liability company, trust, estate, or other entity that
5 is subject to the Illinois Income Tax Act.

6 "Total development costs" means the aggregate public and
7 private investment in a STAR bond district, including project
8 costs and other direct and indirect costs related to the
9 development of the STAR bond district over the life of the STAR
10 bond district.

11 "Underserved area" has the meaning given to that term in
12 Section 5-5 of the Economic Development for a Growing Economy
13 Tax Credit Act.

14 "Vacant" means that portion of the land in a proposed STAR
15 bond district that is not occupied by a building, facility, or
16 other vertical improvement.

17 (Source: P.A. 104-453, eff. 12-12-25.)

18 (50 ILCS 475/5-15)

19 Sec. 5-15. Limitations on STAR bond districts and STAR
20 bond projects. The Office of the Governor, in consultation
21 with the Department, the Department of Revenue, and the
22 Governor's Office of Management and Budget, shall have final
23 approval of all STAR bond districts and STAR bond projects
24 established under this Act, which may be established
25 throughout the 10 Economic Development Regions in the State as

1 established by the Department. Regardless of the number of
2 STAR bond districts established within any Economic
3 Development Region: (i) only one STAR bond project may be
4 approved for each Economic Development Region having a
5 population of less than 600,000; (ii) up to 3 STAR bond
6 projects may be approved for each Economic Development Region
7 having a population of between 600,000 and 999,999; and (iii)
8 up to 4 STAR bond projects may be approved for each Economic
9 Development Region having a population of 1,000,000 or more,
10 excluding projects located in STAR bond districts established
11 under the Innovation Development and Economy Act. A STAR bond
12 project established under the Capital Area Tourism Authority
13 Act is not included in the maximum number of STAR bond projects
14 that may be approved under this Act. Other than a NOVA urban
15 district, a STAR bond district under this Act may not be
16 located either entirely or partially inside of a municipality
17 with a population in excess of 2,000,000.

18 A STAR bond project that is not located in a NOVA district
19 may not receive reimbursement from the proceeds of bonds
20 secured by State sales tax increment that exceeds the lesser
21 of (1) 50% of the total development costs or (2) an aggregate
22 amount of \$75,000,000. A STAR bond project that is located in a
23 NOVA district may not receive reimbursement from the proceeds
24 of bonds secured by State sales tax increment that exceeds the
25 lesser of (1) 50% of the total development costs or (2) an
26 aggregate amount of \$800,000,000. A STAR bond project that is

1 located in a NOVA urban district may not receive reimbursement
2 from the proceeds of bonds secured by State sales tax
3 increment that exceeds the lesser of (1) 75% of the total
4 development costs or (2) an aggregate amount of
5 \$1,600,000,000.

6 (Source: P.A. 104-453, eff. 12-12-25.)

7 (50 ILCS 475/5-20)

8 Sec. 5-20. Establishment of STAR bond district.

9 (a) The corporate authorities of a municipality may
10 establish a STAR bond district within an eligible area within
11 the municipality or partially outside the boundaries of the
12 municipality in an unincorporated area of the county. A STAR
13 bond district that is partially outside the boundaries of the
14 municipality must also be approved by the corporate
15 authorities of the county by the passage of a resolution. The
16 corporate authorities of a county may establish a STAR bond
17 district in an eligible area in any unincorporated area of the
18 county.

19 (b) When a political subdivision is interested in
20 establishing a STAR bond district, the political subdivision
21 must first provide notice to the Director of Commerce and
22 Economic Opportunity and the Director of Revenue on or before
23 June 1, 2026 of its intention to establish a STAR bond
24 district. After filing notice, the political subdivision shall
25 determine whether the area satisfies the statutory criteria to

1 establish a STAR bond district consistent with this Act. The
2 corporate authorities of the political subdivision shall adopt
3 a resolution stating that the political subdivision is
4 considering the establishment of a STAR bond district. The
5 resolution shall:

6 (1) give notice, in the same manner as set forth in
7 subsection (e) of Section 5-30, that a public hearing will
8 be held to consider the establishment of a STAR bond
9 district and fix the date, hour, and place of the public
10 hearing, which shall be at a location that is within 20
11 miles of the STAR bond district, in a facility that can
12 accommodate a large crowd, and in a facility that is
13 accessible to persons with disabilities;

14 (2) describe the proposed general boundaries of the
15 STAR bond district;

16 (3) describe the STAR bond district plan;

17 (4) require that a description and map of the proposed
18 STAR bond district are available for inspection at a time
19 and place designated;

20 (5) identify the master developer for the STAR bond
21 district; and

22 (6) require that the corporate authorities consider
23 findings necessary for the establishment of a STAR bond
24 district.

25 (c) Upon the conclusion of the public hearing the
26 corporate authorities of the political subdivision may adopt a

1 resolution to establish the STAR bond district. The corporate
2 authorities of a municipality with a population of 2,000,000
3 or more may proceed directly to adopt a resolution to
4 establish a NOVA urban district.

5 (1) A resolution to establish a STAR bond district
6 shall:

7 (A) make findings that the proposed STAR bond
8 district is to be developed with a STAR bond project;

9 (B) make findings that the STAR bond district is
10 an eligible area;

11 (C) contain a STAR bond district plan that
12 identifies in a general manner the buildings and
13 facilities that are proposed to be constructed or
14 improved as part of the STAR bond project and that
15 includes plans for at least one development user;

16 (D) contain the legal description of the STAR bond
17 district;

18 (E) appoint the master developer for the STAR bond
19 district, subject to the provisions of Section 5-25,
20 and, if applicable, verify that master developer has a
21 signed project labor agreement for the construction of
22 future improvements within any STAR bond projects;

23 (F) if applicable, make a finding that the STAR
24 bond district plan demonstrates a reasonable
25 expectation that it will meet the acreage, capital
26 investment, sales, and job creation thresholds

1 necessary to qualify as a NOVA district or NOVA urban
2 district and contains a request for a NOVA district
3 designation or NOVA urban district; and

4 (G) establish the STAR bond district, contingent
5 upon approval of the State as set forth in subsection
6 (e).

7 (2) For STAR bond districts other than a NOVA urban
8 district, if ~~if~~ the resolution to establish a STAR bond
9 district is not adopted by the political subdivision
10 within 60 days after the conclusion of the public hearing,
11 then the STAR bond district shall not be established.

12 (3) Upon adoption of a resolution to establish a STAR
13 bond district, the political subdivision shall send a
14 certified copy of the resolution to the Director of
15 Commerce and Economic Opportunity, the Director of
16 Revenue, and the Director of the Governor's Office of
17 Management and Budget within 60 days after the adoption of
18 the resolution.

19 (d) Upon adoption of a resolution to establish a STAR bond
20 district, the STAR bond district and any STAR bond project
21 shall be governed by a master development agreement between
22 the political subdivision and the master developer. A STAR
23 bond district that is partially outside the boundaries of a
24 municipality shall require only one master development
25 agreement, which shall be between the municipality and the
26 master developer. In no event shall there be more than one

1 master development agreement governing the terms and
2 conditions of a STAR bond district. The master development
3 agreement shall require the master developer to ensure
4 compliance with the following requirements to reduce the
5 ecological impact of the STAR bond district development: (i)
6 inclusion of pollution prevention, erosion, and sedimentation
7 control plans during construction; (ii) protection of
8 endangered species' habitat and wetlands mitigation; (iii)
9 preservation of at least 20% of the STAR bond district as green
10 space, including lawns, parks, landscaped areas, paths, lakes,
11 ponds, and other water features or, for a NOVA urban district,
12 inclusion of such green space, including lawns, parks,
13 landscaped areas, paths, lakes, ponds, and other water
14 features, as set forth in the STAR bond project plan; (iv)
15 promotion of the use of renewable energy to the extent
16 commercially feasible; (v) implementation of recycling
17 programs during construction and at completed STAR bond
18 projects; (vi) preservation of water quality and promotion of
19 water conservation through the use of techniques such as
20 reusing storm water and landscaping with native and
21 low-maintenance vegetation to reduce the need for irrigation
22 and fertilization; (vii) inclusion of comprehensive lighting
23 programs that reduce light pollution within the STAR bond
24 district; and (viii) promotion of shared parking between
25 different users and the political subdivision to reduce the
26 impact on project sites.

1 (e) Upon adoption of a resolution to establish a STAR bond
2 district, the political subdivision shall submit the proposed
3 STAR bond district plan to the Department, the Department of
4 Revenue, and the Governor's Office of Management and Budget
5 for consideration. All proposed STAR bond district plans must
6 be submitted on or before January 1, 2027 for consideration.
7 The Department, the Department of Revenue, and the Governor's
8 Office of Management and Budget shall make a joint
9 recommendation to approve a STAR bond district if the agencies
10 find that: (i) the proposed STAR bond district is an eligible
11 area; (ii) the STAR bond district plan includes a STAR bond
12 project that would entail a projected capital investment of at
13 least \$30,000,000 for a STAR bond district that is not
14 proposed to be designated as a NOVA district, ~~or~~ \$500,000,000
15 for a STAR bond district that is proposed to be designated as a
16 NOVA district, \$1,000,000,000 for a STAR bond district that
17 is proposed to be designated as a NOVA urban district; (iii)
18 the STAR bond district plan includes a STAR bond project that
19 is reasonably projected to produce at least \$60,000,000 of
20 annual gross sales and at least 300 new jobs or, for a STAR
21 bond district proposed to be designated as a NOVA district, at
22 least \$300,000,000 of annual gross sales and 1,500 new jobs
23 or, for a STAR bond district proposed to be designated as a
24 NOVA urban district, at least \$450,000,000 of annual gross
25 sales and 3,000 new jobs; (iv) the STAR bond district plan
26 includes potential development users; (v) the creation of the

1 STAR bond district and STAR bond district plan are in
2 accordance with the purpose of this Act and the public
3 interest; and (vi) the STAR bond district and STAR bond
4 district plan meet any other requirement that the State deems
5 appropriate. The agencies shall send a copy of their written
6 findings and recommendation for approval or denial of a STAR
7 bond district to the Office of the Governor for review and
8 final action. In the case of any NOVA district or NOVA urban
9 district, those written findings and recommendations shall be
10 submitted to the Office of the Governor within 60 days
11 following the agencies' receipt of the District Plan proposing
12 the NOVA district or NOVA urban district.

13 (f) Upon receipt of the written findings and
14 recommendations, the Office of the Governor shall review the
15 submission and issue a final approval or denial of the STAR
16 bond district and send written notice of its approval or
17 denial to the requesting political subdivision and to the
18 agencies. If requested by the political subdivision under
19 paragraph (F) of subsection (c) of this Section, the written
20 notice shall also include a determination as to whether the
21 proposed STAR bond district qualifies for designation as a
22 NOVA district or NOVA urban district and shall be issued
23 within 30 days after the Office of the Governor receives the
24 written findings of the agencies as provided in subsection
25 (e).

26 (g) Starting on the fifth anniversary of the first date of

1 distribution of State sales tax increment from the approved
2 STAR bond project in the STAR bond district, or, if the project
3 is in a NOVA district, the earlier of (i) the fifteenth
4 anniversary of that date or (ii) the date requested by the
5 master developer, and continuing each anniversary thereafter,
6 the Director shall, in consultation with the political
7 subdivision and the master developer, determine the total
8 number of new jobs created within the STAR bond district, the
9 total development cost to date, and the master developer's
10 compliance with its obligations under any written agreements
11 with the State. If, on the fifth anniversary of the first date
12 of distribution of State sales tax increment from the approved
13 STAR bond project in the STAR bond district, or the earlier of
14 (i) the fifteenth anniversary of that date or (ii) the date
15 requested by the master developer if the project is in a NOVA
16 district or NOVA urban district, the Director determines that
17 the total development cost to date is not equal to or greater
18 than (i) \$30,000,000 if the project is not in a NOVA district
19 or NOVA urban district, (ii) \$500,000,000 if the project is in
20 a NOVA district, or (iii) \$1,000,000,000 if the project is in a
21 NOVA urban district, or that the master developer is in breach
22 of any written agreement with the State, then no new STAR bonds
23 may be issued in the STAR bond district until the total
24 development cost exceeds \$30,000,000, ~~or~~ \$500,000,000, or
25 \$1,000,000,000, as applicable, or the breach of agreement is
26 cured, or both. If, on the fifth anniversary of the first date

1 of distribution of State sales tax increment from the approved
2 STAR bond project in the STAR bond district, or the earlier of
3 (i) the fifteenth anniversary of that date or (ii) the date
4 requested by the master developer if the project is in a NOVA
5 district or a NOVA urban district, there are not at least (i)
6 300 new jobs existing in the STAR bond district if the project
7 is not in a NOVA district or a NOVA urban district, (ii) 1,500
8 new jobs existing in the STAR bond district if the project is
9 in a NOVA district, or (iii) 3,000 new jobs existing in the
10 STAR bond district if the project is in a NOVA urban district,
11 the State may require the master developer to pay the State a
12 penalty of \$1,500 per job under 300, ~~or 1,500~~, or 3,000, as
13 applicable, each year until the earlier of (i) the
14 twenty-third anniversary of the first date of distribution of
15 State sales tax increment from the approved STAR bond project
16 in the STAR bond district, (ii) the date that all STAR bonds
17 issued in the STAR bond district have been paid off, or (iii)
18 the date on which at least 300 jobs, ~~or 1,500 jobs~~, or 3,000
19 jobs, as applicable, have been created in the STAR bond
20 district. Upon creation of 300 jobs, ~~or 1,500 jobs~~, or 3,000
21 jobs, as applicable, in the STAR bond district, there shall
22 not be an ongoing obligation to maintain those jobs after the
23 fifth anniversary of the first date of distribution of State
24 sales tax increment from the approved STAR bond project in the
25 STAR bond district, and the master developer shall be relieved
26 of any liability with respect to job creation under this

1 subsection. Notwithstanding anything to the contrary in this
2 subsection, the master developer shall not be liable for the
3 penalties set forth in this subsection if the breach of
4 agreement, failure to reach the required amount in total
5 development costs, or failure to create the required number of
6 jobs is due to delays caused by force majeure, as that term is
7 defined in the master development agreement.

8 (Source: P.A. 104-453, eff. 12-12-25.)

9 (50 ILCS 475/5-30)

10 Sec. 5-30. Approval of STAR bond projects.

11 (a) The corporate authorities of a political subdivision
12 seeking to establish a STAR bond project in an approved STAR
13 bond district must submit a proposed STAR bond project plan to
14 the Department, the Department of Revenue, and the Governor's
15 Office of Management and Budget on or before June 1, 2028. A
16 STAR bond project plan for a NOVA urban district may be
17 submitted to the Department of Commerce and Economic
18 Opportunity, the Department of Revenue, and the Governor's
19 Office of Management and Budget concurrent with the process
20 for approval of a STAR bond district in Section 5-20 of this
21 Act. A STAR bond project which is partially outside the
22 boundaries of a municipality must also be approved by the
23 corporate authorities of the county by resolution.

24 After the establishment of a STAR bond district, the
25 master developer may propose a STAR bond project to a

1 political subdivision, and the master developer shall, in
2 cooperation with the political subdivision, prepare a STAR
3 bond project plan in consultation with the planning commission
4 of the political subdivision, if any. The STAR bond project
5 plan may be implemented in separate development stages.

6 (b) Any political subdivision considering a STAR bond
7 project within a STAR bond district shall cause to be prepared
8 an independent feasibility study. The feasibility study shall
9 be prepared by a feasibility consultant approved by the
10 Department. The feasibility consultant shall provide certified
11 copies of the feasibility study to the political subdivision,
12 the Department, the Department of Revenue, and the Governor's
13 Office of Management and Budget. The feasibility study shall
14 include the following:

15 (1) the estimated amount of pledged STAR revenues
16 expected to be collected in each year through the maturity
17 date of the proposed STAR bonds;

18 (2) a statement of how the jobs and taxes obtained
19 from the STAR bond project will contribute significantly
20 to the economic development of the State and region;

21 (3) visitation expectations;

22 (4) the unique quality of the project;

23 (5) an economic impact study;

24 (6) a market study;

25 (7) current and anticipated infrastructure analysis;

26 (8) integration and collaboration with other resources

1 or businesses;

2 (9) the quality of service and experience provided, as
3 measured against national consumer standards for the
4 specific target market;

5 (10) project accountability, measured according to
6 best industry practices;

7 (11) the expected return on State and local investment
8 that the STAR bond project is anticipated to produce; and

9 (12) an anticipated principal and interest payment
10 schedule on the STAR bonds.

11 The feasibility consultant, along with any other
12 consultants commissioned to perform the studies and other
13 analysis required by the feasibility study, shall be selected
14 by the political subdivision but approved by the Department.
15 The consultants shall be retained by the political
16 subdivision. The political subdivision may seek reimbursement
17 from the master developer.

18 The failure to include all information enumerated in this
19 subsection in the feasibility study for a STAR bond project
20 shall not affect the validity of STAR bonds issued under this
21 Act. A feasibility study for a NOVA urban district completed
22 for the Office of the Governor and the Department of Commerce
23 and Economic Opportunity within 36 months before or after the
24 effective date of this amendatory Act of the 104th General
25 Assembly shall meet the requirements of this Section.

26 (c) If the political subdivision determines the STAR bond

1 project is feasible, the STAR bond project plan shall include:

2 (1) a summary of the feasibility study;

3 (2) a reference to the STAR bond district plan that
4 identifies the STAR bond project area that is set forth in
5 the STAR bond project plan that is being considered;

6 (3) a legal description and map of the STAR bond
7 project area to be developed or redeveloped;

8 (4) a description of the buildings and facilities
9 proposed to be constructed or improved in the STAR bond
10 project area, including development users, as applicable;

11 (5) a copy of letters of intent to locate within the
12 STAR bond district signed by both the master developer and
13 the appropriate corporate officer of at least one
14 development user for the STAR bond project proposed within
15 the district;

16 (6) a copy of a project labor agreement entered into
17 by the master developer and a commitment by the master
18 developer, other developers, contractors, and
19 subcontractors to comply with the requirements of Section
20 30-22 of the Illinois Procurement Code as they apply to
21 responsible bidders; ~~and~~

22 (6.5) if applicable, the geographic boundaries of the
23 area within the STAR bond district that constitutes an
24 entertainment user area, as such designated area shall be
25 identified by the master developer; and

26 (7) any other information the corporate authorities of

1 the political subdivision deems reasonable and necessary
2 to advise the public of the intent of the STAR bond project
3 plan.

4 A STAR bond project may include infrastructure that
5 directly serves a professional sports stadium or arena.

6 (d) Before a political subdivision may hold a public
7 hearing to consider a STAR bond project plan, the political
8 subdivision must apply to the Department, the Department of
9 Revenue, and the Governor's Office of Management and Budget
10 for joint review and recommendation and ultimate approval or
11 denial by the Office of the Governor of the STAR bond project
12 plan. The corporate authorities of a political subdivision
13 seeking to establish a STAR bond project in an approved STAR
14 bond district must submit a proposed STAR bond project plan to
15 the Department, the Department of Revenue, and the Governor's
16 Office of Management and Budget by June 1, 2028 for
17 consideration.

18 An application for approval of a STAR bond project plan
19 must not be approved by the State unless all the components of
20 the feasibility study set forth in paragraphs (1) through (12)
21 of subsection (b) have been completed and submitted for review
22 and recommendation for approval or denial. In addition to
23 reviewing all the other elements of the STAR bond project plan
24 required under subsection (c), which must be included in the
25 application and include a letter of intent as required under
26 paragraph (5) of subsection (c) in order to receive State

1 approval, the Department, the Department of Revenue, and the
2 Governor's Office of Management and Budget must review the
3 feasibility study and consider all the components of the
4 feasibility study set forth in paragraphs (1) through (12) of
5 subsection (b), including, without limitation, the economic
6 impact study and the financial benefit of the proposed STAR
7 bond project to the local, regional, and State economies, the
8 proposed adverse impacts on similar businesses and projects as
9 well as municipalities within the market area, and the net
10 effect of the proposed STAR bond project on the local,
11 regional, and State economies. In addition to the economic
12 impact study, the political subdivision must also submit to
13 the agencies, as part of its application, the financial and
14 other information that substantiates the basis for the
15 conclusion of the economic impact study, in the form and
16 manner as required by the agencies, so that the agencies can
17 verify the results of the study. In addition to any other
18 criteria in this subsection, the State may not approve the
19 STAR bond project plan unless the agencies are satisfied that
20 the proposed development users are, in fact, true development
21 users and find that the STAR bond project plan is in accordance
22 with the purpose of this Act and the public interest. As part
23 of the review, the agencies shall evaluate the conclusions of
24 the feasibility study as it relates to the projected State and
25 local sales tax increments expected to be generated in the
26 STAR bond district. The Department, the Department of Revenue,

1 and the Governor's Office of Management and Budget shall
2 jointly recommend the approval of a STAR bond project plan. In
3 making the recommendation, the agencies shall consider the
4 proximity of a proposed STAR bond project to another proposed
5 or existing STAR bond project. Notwithstanding any other
6 provision of this Act, the Department, the Department of
7 Revenue, and the Governor's Office of Management and Budget
8 shall not approve any STAR bond project plan that includes as
9 part of the plan the development of any facility, stadium,
10 arena, or other structure if: (1) the purpose of the facility,
11 stadium, arena, or other structure is the holding of
12 professional sports contests; or (2) the facility, stadium,
13 arena, or other structure is within a one-mile radius of any
14 structure that is developed on or after the effective date of
15 this Act and has as one of its purposes the holding of
16 professional sports contests except, in respect of a STAR bond
17 project in a NOVA urban district, for a structure that is
18 within a one-mile radius of an existing stadium that may be
19 redeveloped on or after the effective date of this Act and has
20 as one of its purposes the holding of professional sports
21 contests. The agencies shall send a copy of their written
22 findings and recommended approval or denial of the STAR bond
23 project plan to the Office of the Governor for final action.
24 Upon receipt of the Director's written findings and
25 recommendation, the Office of the Governor shall issue a final
26 approval or denial of the STAR bond project plan based on the

1 criteria in this subsection and Section 5-15 and send a
2 written approval or denial to the requesting political
3 subdivision. Notwithstanding any other provision of law, for
4 STAR bond districts designated as NOVA districts or NOVA urban
5 districts, the Office of the Governor shall issue a final
6 approval or denial of the STAR bond project plan based on the
7 criteria in this subsection and Section 5-15 and send written
8 approval or denial to the requesting political subdivision
9 within 180 days or, for a NOVA urban district, 60 days, after
10 the political subdivision applies for approval, as set out in
11 this subsection (d). In granting its approval, the Office of
12 the Governor may require the political subdivision to execute
13 a binding agreement or memorandum of understanding with the
14 State. The terms of the agreement or memorandum may include,
15 among other things, the political subdivision's repayment of
16 the State sales tax increment distributed to it if any
17 violation of the agreement or memorandum or this Act occurs.

18 (e) Upon a finding by the planning and zoning commission
19 of the political subdivision, if any, that the STAR bond
20 project plan is consistent with the intent of the
21 comprehensive plan for the development of the political
22 subdivision and upon issuance of written approval of the STAR
23 bond project plan from the Office of the Governor under
24 subsection (d) of this Section, the corporate authorities of
25 the political subdivision shall adopt a resolution stating
26 that the political subdivision is considering the adoption of

1 the STAR bond project plan. The resolution shall:

2 (1) give notice that a public hearing will be held to
3 consider the adoption of the STAR bond project plan and
4 fix the date, hour, and place of the public hearing;

5 (2) describe the general boundaries of the STAR bond
6 district within which the STAR bond project will be
7 located and the date of establishment of the STAR bond
8 district;

9 (3) describe the general boundaries of the area
10 proposed to be included within the STAR bond project area;

11 (4) provide that the STAR bond project plan and map of
12 the area to be redeveloped or developed are available for
13 inspection during regular office hours in the offices of
14 the political subdivision; and

15 (5) contain a summary of the terms and conditions of
16 any proposed project development agreement with the
17 political subdivision.

18 (f) A public hearing shall be conducted to consider the
19 adoption of any STAR bond project plan.

20 (1) The date fixed for the public hearing to consider
21 the adoption of the STAR bond project plan shall be not
22 less than 20 nor more than 90 days following the date of
23 the adoption of the resolution fixing the date of the
24 hearing.

25 (2) A copy of the political subdivision's resolution
26 providing for the public hearing shall be sent by

1 certified mail, return receipt requested, to the corporate
2 authorities of the county. A copy of the political
3 subdivision's resolution providing for the public hearing
4 shall be sent by certified mail, return receipt requested,
5 to each person or persons in whose name the general taxes
6 for the last preceding year were paid on each parcel of
7 land lying within the proposed STAR bond project area
8 within 10 days following the date of the adoption of the
9 resolution. The resolution shall be published once in a
10 newspaper of general circulation in the political
11 subdivision not less than one week nor more than 3 weeks
12 before the date fixed for the public hearing. A map or
13 aerial photo clearly delineating the area of land proposed
14 to be included within the STAR bond project area shall be
15 published with the resolution.

16 (3) The hearing shall be held at a location that is
17 within 20 miles of the STAR bond district or, for a NOVA
18 urban district, within 2 miles of the STAR bond district,
19 in a facility that can accommodate a large crowd and is
20 accessible to persons with disabilities.

21 (4) At the public hearing, a representative of the
22 political subdivision or master developer shall present
23 the STAR bond project plan. Following the presentation of
24 the STAR bond project plan, all interested persons shall
25 be given an opportunity to be heard. The corporate
26 authorities may continue the date and time of the public

1 hearing.

2 (g) Upon conclusion of the public hearing, the governing
3 body of the political subdivision may adopt the STAR bond
4 project plan by a resolution approving the STAR bond project
5 plan.

6 (h) After the adoption by the corporate authorities of the
7 political subdivision of a STAR bond project plan, the
8 political subdivision may enter into a project development
9 agreement if the master developer has requested the political
10 subdivision to be a party to the project development agreement
11 under subsection (b) of Section 5-40.

12 (i) Within 30 days after the adoption by the political
13 subdivision of a STAR bond project plan, the clerk of the
14 political subdivision shall transmit a copy of the legal
15 description of the land and a list of all new and existing
16 mailing addresses within the STAR bond district, a copy of the
17 resolution adopting the STAR bond project plan, and a map or
18 plat indicating the boundaries of the STAR bond project area
19 and STAR bond district to the clerk, treasurer, and governing
20 body of the county and to the Department and Department of
21 Revenue. Within 30 days of creation of any new mailing address
22 within a STAR bond district, the clerk of the political
23 subdivision shall provide written notice of that new address
24 to the Department and the Department of Revenue.

25 If a certified copy of the resolution adopting the STAR
26 bond project plan is filed with the Department of Revenue on or

1 before the first day of April, the Department of Revenue, if
2 all other requirements of this subsection are met, shall
3 proceed to collect and allocate any local sales tax increment
4 and any State sales tax increment in accordance with the
5 provisions of this Act on the first day of July next following
6 the adoption and filing. If a certified copy of the resolution
7 adopting the STAR bond project plan is filed with the
8 Department of Revenue after April 1 but on or before the first
9 day of October, the Department of Revenue, if all other
10 requirements of this subsection are met, shall proceed to
11 collect and allocate any local sales tax increment and any
12 State sales tax increment in accordance with the provisions of
13 this Act as of the first day of January next following the
14 adoption and filing. Notwithstanding the foregoing, any local
15 hotel taxes and visitor investment surcharges that are
16 designated as pledged STAR revenues pursuant to this Act shall
17 be calculated, collected, and administered by the political
18 subdivision imposing such tax, and shall not be subject to
19 collection or allocation by the Department of Revenue.

20 Any substantial changes to a STAR bond project plan as
21 adopted shall be subject to a public hearing following
22 publication of notice thereof in a newspaper of general
23 circulation in the political subdivision and approval by
24 resolution of the governing body of the political subdivision.

25 The Department of Revenue shall not collect or allocate
26 any local sales tax increment or State sales tax increment

1 until the political subdivision also provides, in the manner
2 prescribed by the Department of Revenue, the boundaries of the
3 STAR bond district and each address in the STAR bond district
4 in such a way that the Department of Revenue can determine by
5 its address whether a business is located in the STAR bond
6 district. The political subdivision must provide this boundary
7 and address information to the Department of Revenue, with a
8 copy to the Department, on or before April 1 for
9 administration and enforcement under this Act by the
10 Department of Revenue beginning on the following July 1 and on
11 or before October 1 for administration and enforcement under
12 this Act by the Department of Revenue beginning on the
13 following January 1. The Department of Revenue shall not
14 administer or enforce any change made to the boundaries of a
15 STAR bond district or any address change, addition, or
16 deletion until the political subdivision reports the boundary
17 change or address change, addition, or deletion to the
18 Department of Revenue, with a copy to the Department, in the
19 manner prescribed by the Department of Revenue. The political
20 subdivision must provide this boundary change or address
21 change, addition, or deletion information to the Department of
22 Revenue, with a copy to the Department, on or before April 1
23 for administration and enforcement by the Department of
24 Revenue of the change, addition, or deletion beginning on the
25 following July 1 and on or before October 1 for administration
26 and enforcement by the Department of Revenue of the change,

1 addition, or deletion beginning on the following January 1. If
2 a retailer is incorrectly included or excluded from the list
3 of those located in the STAR bond district, the Department of
4 Revenue shall be held harmless if the Department reasonably
5 relied on information provided by the political subdivision.

6 (j) Any STAR bond project must be approved by the
7 political subdivision within 23 years after the date of the
8 approval of the STAR bond district; however, any amendments to
9 the STAR bond project may occur following that date.

10 (k) Any developer of a STAR bond project shall commence
11 work on the STAR bond project within 3 years from the date of
12 adoption of the STAR bond project plan. If the developer fails
13 to commence work on the STAR bond project within the 3-year
14 period, funding for the project shall cease and the developer
15 of the project or complex shall have one year to appeal to the
16 political subdivision for a one-time reapproval of the project
17 and funding. If the project is reapproved, the 3-year period
18 for commencement shall begin again on the date of the
19 reapproval. If the project is not reapproved or if the
20 developer again fails to commence work on the STAR bond
21 project within the second 3-year period, the project shall be
22 terminated, and the Department may accept applications for a
23 new STAR bond project in the Economic Development Region.

24 (l) After the adoption of a STAR bond project plan by the
25 corporate authorities of the political subdivision and
26 approval by the Office of the Governor under subsection (d),

1 the political subdivision may authorize the issuance of STAR
2 bonds in one or more series to finance the STAR bond project or
3 pay or reimburse any eligible project cost within the STAR
4 bond district in accordance with the provisions of this Act.

5 (m) Except as otherwise provided in subsection (n), the
6 maximum maturity of STAR bonds issued to finance a STAR bond
7 project shall not exceed 23 years from the first date of
8 distribution of State sales tax increment from the STAR bond
9 project to the political subdivision unless the political
10 subdivision extends that maturity by resolution up to a
11 maximum of 35 years from such first distribution date. Any
12 such extension shall require the approval of the Office of the
13 Governor, upon the recommendation of the Directors. In no
14 event shall the maximum maturity date for any STAR bonds
15 exceed that date which is 35 years from the first distribution
16 date of the first STAR bonds issued in a STAR bond district.

17 (n) The maximum maturity of STAR bonds issued to finance a
18 STAR bond project located within a NOVA district or a NOVA
19 urban district shall not exceed 35 years from the first date of
20 distribution of State sales tax increment from the STAR bond
21 project to the political subdivision.

22 (Source: P.A. 104-453, eff. 12-12-25.)

23 (50 ILCS 475/5-35)

24 Sec. 5-35. Approval of STAR bond projects in NOVA
25 districts and NOVA urban districts. Notwithstanding any other

1 provision of this Act, a STAR bond project may be approved
2 within each STAR bond district designated as a NOVA district
3 and a NOVA urban district. A NOVA urban district may be
4 approved concurrent with the designation of the NOVA urban
5 district. Except as otherwise provided in this Act, approval
6 of a NOVA district shall follow the same procedures applicable
7 to STAR bond district approval as provided in Section 5-20,
8 and that designation shall be determined by the Office of the
9 Governor during the STAR bond district approval process. The
10 NOVA district and NOVA urban district must satisfy the
11 criteria set forth to be considered a NOVA district under
12 Section 5-10. Except as otherwise provided in this Act,
13 establishment of a NOVA district or NOVA urban district shall
14 be construed to have the same application and effect as a STAR
15 bond district.

16 (Source: P.A. 104-453, eff. 12-12-25.)

17 (50 ILCS 475/5-45)

18 Sec. 5-45. STAR bonds; source of payment.

19 (a) Any political subdivision shall have the power to
20 issue STAR bonds in one or more series to finance the
21 undertaking of any STAR bond project in accordance with the
22 provisions of this Act and the Omnibus Bond Acts. Any STAR bond
23 project approved under this Act may be completed in one or more
24 phases, and STAR bonds may be issued, in one or more series, to
25 finance any STAR bond project or phase thereof. STAR bonds may

1 be issued as revenue bonds, alternate bonds, or general
2 obligation bonds as defined in and subject to the procedures
3 provided in the Local Government Debt Reform Act.

4 STAR bonds may be made payable, both as to principal and
5 interest, from the following revenues, which, to the extent
6 pledged by each respective political subdivision or other
7 public entity for that purpose, shall constitute pledged STAR
8 revenues:

9 (1) revenues of the political subdivision derived from
10 or held in connection with the undertaking and carrying
11 out of any STAR bond project or projects under this Act;

12 (2) available private funds and contributions, grants,
13 tax credits, or other financial assistance from the State
14 or federal government;

15 (3) any taxes created under Section 5-50 and
16 designated as pledged STAR revenues by the political
17 subdivision;

18 (4) all the local sales tax increment of a
19 municipality, county, or other unit of local government,
20 including an amount equal to the sales tax increment that
21 is received by a municipality from a sales tax
22 securitization corporation based on sales of revenues as
23 of the date of this Act, which amount shall be pledged as a
24 first lien on such receipts;

25 (5) any special service area taxes collected within
26 the STAR bond district under the Special Service Area Tax

1 Act, which may be used for the purposes of funding project
2 costs or paying debt service on STAR bonds in addition to
3 the purposes contained in the special service area plan;

4 (6) all the State sales tax increment;

5 (7) any other revenues appropriated by the political
6 subdivision; and

7 (8) any combination of these methods.

8 (b) The political subdivision may pledge the pledged STAR
9 revenues to the repayment of STAR bonds before, simultaneously
10 with, or after the issuance of the STAR bonds.

11 (c) Bonds issued as revenue bonds shall not be general
12 obligations of the political subdivision, nor, in any event,
13 shall they give rise to a charge against the political
14 subdivision's general credit or taxing powers or be payable
15 out of any funds or properties other than those set forth in
16 subsection (a). The bonds shall so state on their face.

17 (d) For each STAR bond project financed with STAR bonds
18 payable from the pledged STAR revenues, the political
19 subdivision shall prepare and submit to the Department, the
20 Department of Revenue, the Office of the Governor, and the
21 Governor's Office of Management and Budget by June 1 of each
22 year a report describing the status of the STAR bond project,
23 any expenditures of the proceeds of STAR bonds that have
24 occurred for the preceding calendar year, and any expenditures
25 of the proceeds of the bonds expected to occur in the future,
26 including the amount of pledged STAR revenue, the amount of

1 revenue that has been spent, the projected amount of the
2 revenue, and the anticipated use of the revenue. Each annual
3 report shall be accompanied by an affidavit of the master
4 developer certifying the contents of the report as true to the
5 best of the master developer's knowledge. The Department shall
6 have the right, but not the obligation, to request the Auditor
7 General to review the annual report and the political
8 subdivision's records containing the source information for
9 the report for the purpose of verifying the report's contents.
10 If the Auditor General declines the request for review, the
11 Department shall have the right to select an independent
12 third-party auditor to conduct an audit of the annual report
13 and the political subdivision's records containing the source
14 information for the report. The reasonable cost of the audit
15 shall be paid by the master developer. The master development
16 agreement shall grant the Department and the Auditor General
17 the right to review the records of the political subdivision
18 containing the source information for the report.

19 (e) As soon as possible after the first day of each month,
20 upon certification of the Department of Revenue, the
21 Comptroller shall order transferred and the Treasurer shall
22 transfer, from the General Revenue Fund to the STAR Bonds
23 Revenue Fund, the State sales tax increment for the second
24 preceding month, less 3% of that amount, which shall be
25 transferred into the Tax Compliance and Administration Fund
26 and shall be used by the Department of Revenue, subject to

1 appropriation, to cover the costs of the Department of Revenue
2 in administering this Act. As soon as possible after the first
3 day of each month, upon certification of the Department of
4 Revenue, the Comptroller shall order transferred and the
5 Treasurer shall transfer, from the Local Government Tax Fund
6 to the STAR Bonds Revenue Fund, the local sales tax increment
7 for the second preceding month, as provided in Section 6z-18
8 of the State Finance Act and from the County and Mass Transit
9 District Fund to the STAR Bonds Revenue Fund the local sales
10 tax increment for the second preceding month, as provided in
11 Section 6z-20 of the State Finance Act. On or before the 25th
12 day of each calendar month, the Department of Revenue shall
13 prepare and certify to the Comptroller the disbursement of
14 stated sums of money out of the STAR Bonds Revenue Fund to
15 named municipalities and counties, the municipalities and
16 counties to be those entitled to distribution of taxes or
17 penalties paid to the Department of Revenue during the second
18 preceding calendar month. The amount to be paid to each
19 municipality or county shall be the amount of the State sales
20 tax increment and the local sales tax increment (not including
21 credit memoranda or the amount transferred into the Tax
22 Compliance and Administration Fund) collected during the
23 second preceding calendar month by the Department of Revenue
24 from retailers and servicepersons on transactions at places of
25 business located within a STAR bond district in that
26 municipality or county, plus an amount the Department of

1 Revenue determines is necessary to offset any amounts which
2 were erroneously paid to a different taxing body, and not
3 including an amount equal to the amount of refunds made during
4 the second preceding calendar month by the Department of
5 Revenue, and not including any amount which the Department of
6 Revenue determines is necessary to offset any amounts which
7 are payable to a different taxing body but were erroneously
8 paid to the municipality or county. Within 10 days after
9 receipt by the Comptroller of the disbursement certification
10 to the municipalities and counties, which shall be given to
11 the Comptroller by the Department of Revenue, the Comptroller
12 shall cause the orders to be drawn for the respective amounts
13 in accordance with the directions contained in the
14 certification. When certifying the amount of monthly
15 disbursement to a municipality or county under this
16 subsection, the Department of Revenue shall increase or
17 decrease that amount by an amount necessary to offset any
18 misallocation of previous disbursements. The offset amount
19 shall be the amount erroneously disbursed within the 6 months
20 preceding the time a misallocation is discovered.

21 (f) The corporate authorities of the political subdivision
22 shall deposit the proceeds for the STAR Bonds Revenue Fund
23 into a special fund of the political subdivision called the
24 "[Name of political subdivision] STAR Bond District Revenue
25 Fund" for the purpose of paying or reimbursing STAR bond
26 project costs and obligations incurred in the payment of those

1 costs. If the political subdivision fails to issue STAR bonds
2 within 180 days after the first distribution to the political
3 subdivision from the STAR Bonds Revenue Fund, the Department
4 of Revenue shall cease distribution of the State sales tax
5 increment to the political subdivision, shall transfer any
6 State sales tax increment in the STAR Bonds Revenue Fund to the
7 General Revenue Fund, and shall cease deposits of State sales
8 tax increment amounts into the STAR Bonds Revenue Fund. The
9 political subdivision shall repay all the State sales tax
10 increment distributed to the political subdivision to date,
11 which amounts shall be deposited into the General Revenue
12 Fund. If not repaid within 90 days after notice from the State,
13 the Department of Revenue shall withhold distributions to the
14 political subdivision from the Local Government Tax Fund until
15 the excess amount is repaid, which withheld amounts shall be
16 transferred to the General Revenue Fund. At such time as the
17 political subdivision notifies the Department of Revenue in
18 writing that it has issued STAR Bonds in accordance with this
19 Act and provides the Department with a copy of the political
20 subdivision's official statement, bond purchase agreements,
21 indenture, or other evidence of bond sale, the Department of
22 Revenue shall resume deposits of the State sales tax increment
23 into the STAR Bonds Revenue Fund and distribution of the State
24 sales tax increment to the political subdivision in accordance
25 with this Section.

26 (g) If at any time after the seventh anniversary of the

1 date of distribution of State sales tax increment from a STAR
2 bond project the Auditor General determines that the
3 percentage of the aggregate proceeds of STAR bonds issued to
4 date that is derived from the State sales tax increment has
5 exceeded 50% of the total development costs of that STAR Bonds
6 project, no additional STAR bonds may be issued for that STAR
7 Bonds project until that percentage is reduced to 50% or
8 below. When the percentage has been reduced to 50% or below,
9 the master developer shall have the right, at its own cost, to
10 obtain a new audit prepared by an independent third-party
11 auditor verifying compliance and shall provide such audit to
12 the Auditor General for review and approval. Upon the Auditor
13 General's determination from the audit that the percentage has
14 been reduced to 50% or below, STAR bonds may again be issued
15 for the STAR bond project.

16 (h) A new tax increment financing district in a NOVA urban
17 district may be established concurrent with or following the
18 establishment of the NOVA urban district or other arrangement
19 in respect of a property tax assessment freeze and special
20 payment.

21 (i) The limitation on the rate of tax imposed under
22 Section 8-3-14a of the Illinois Municipal Code and Section
23 5-1300 of the Counties Code does not apply to a tax imposed
24 under those Sections on businesses within a STAR bond district
25 by the corporate authorities of any municipality or county
26 that has established a STAR bond district under this Act.

1 (Source: P.A. 104-453, eff. 12-12-25.)

2 (50 ILCS 475/5-50)

3 Sec. 5-50. STAR bond occupation taxes.

4 (a) If the corporate authorities of a political
5 subdivision have established a STAR bond district and have
6 elected to impose a tax by ordinance under subsection (b), ~~or~~
7 (c), or (c-10) of this Section, each year after the date of the
8 adoption of the ordinance and until all STAR bond project
9 costs and all political subdivision obligations financing the
10 STAR bond project costs, if any, have been paid in accordance
11 with the STAR bond project plans, but in no event longer than
12 the maximum maturity date of the last of the STAR bonds issued
13 for projects in the STAR bond district, all amounts generated
14 by the retailers' occupation tax and service occupation tax
15 shall be collected, and the tax shall be enforced, by the
16 Department of Revenue in the same manner as all retailers'
17 occupation taxes and service occupation taxes imposed in the
18 political subdivision imposing the tax. The corporate
19 authorities of the political subdivision shall deposit the
20 proceeds of the taxes imposed under subsections (b), ~~and~~ (c),
21 or (c-10) into either (i) a special fund held by the corporate
22 authorities of the political subdivision called the STAR Bonds
23 Tax Allocation Fund for the purpose of paying STAR bond
24 project costs and obligations incurred in the payment of those
25 costs if such taxes are designated as pledged STAR revenues by

1 resolution or ordinance of the political subdivision or (ii)
2 the political subdivision's general corporate fund if such
3 taxes are not designated as pledged STAR revenues by
4 resolution or ordinance.

5 The tax imposed under this Section by a municipality may
6 be imposed only on the portion of a STAR bond district that is
7 within the boundaries of the municipality. For any part of a
8 STAR bond district that lies outside the boundaries of that
9 municipality, the municipality in which the other part of the
10 STAR bond district lies (or the county, in cases where a
11 portion of the STAR bond district lies in the unincorporated
12 area of a county) is authorized to impose the tax under this
13 Section on that part of the STAR bond district.

14 (b) The corporate authorities of a political subdivision
15 that has established a STAR bond district under this Act may,
16 by ordinance or resolution, impose a STAR Bond Retailers'
17 Occupation Tax upon all persons engaged in the business of
18 selling tangible personal property, other than an item of
19 tangible personal property titled or registered with an agency
20 of this State's government, at retail in the STAR bond
21 district at a rate not to exceed 1% of the gross receipts from
22 the sales made in the course of that business, to be imposed
23 only in 0.25% increments. The tax may not be imposed on
24 tangible personal property taxed at the 1% rate under the
25 Retailers' Occupation Tax Act. The tax may not be imposed on
26 aviation fuel for so long as the revenue use requirements of 49

1 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
2 political subdivision.

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

1 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
2 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10,
3 11, 12, 13, and 14 of the Retailers' Occupation Tax Act and all
4 provisions of the Uniform Penalty and Interest Act, as fully
5 as if those provisions were set forth herein.

6 If a tax is imposed under this subsection (b), a tax shall
7 also be imposed under subsection (c) of this Section.

8 (c) If a tax has been imposed under subsection (b), a STAR
9 Bond Service Occupation Tax shall also be imposed upon all
10 persons engaged, in the STAR bond district, in the business of
11 making sales of service, who, as an incident to making those
12 sales of service, transfer tangible personal property within
13 the STAR bond district, either in the form of tangible
14 personal property or in the form of real estate as an incident
15 to a sale of service. The service occupation tax shall be
16 imposed upon all persons engaged in the business of making
17 sales of service at the same rate as the tax imposed in
18 subsection (b) of the selling price of tangible personal
19 property transferred within the STAR bond district by such
20 servicemen as an incident to a sale of service and shall not
21 exceed 1% and shall be imposed only in 0.25% increments. The
22 tax may not be imposed on tangible personal property taxed at
23 the 1% rate under the Service Occupation Tax Act. The tax may
24 not be imposed on aviation fuel for so long as the revenue use
25 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
26 binding on the political subdivision.

1 The tax imposed under this subsection and all civil
2 penalties that may be assessed as an incident thereof shall be
3 collected and enforced by the Department of Revenue. The
4 certificate of registration that is issued by the Department
5 of Revenue to a retailer under the Retailers' Occupation Tax
6 Act or under the Service Occupation Tax Act shall permit the
7 registrant to engage in a business that is taxable under any
8 ordinance or resolution enacted under this subsection without
9 registering separately with the Department of Revenue under
10 that ordinance or resolution or under this subsection. The
11 Department of Revenue shall have full power to administer and
12 enforce this subsection, to collect all taxes and penalties
13 due under this subsection, to dispose of taxes and penalties
14 so collected in the manner provided in this Act, and to
15 determine all rights to credit memoranda arising on account of
16 the erroneous payment of tax or penalty under this subsection.
17 In the administration of, and compliance with this subsection,
18 the Department of Revenue and persons who are subject to this
19 subsection shall have the same rights, remedies, privileges,
20 immunities, powers, and duties, and be subject to the same
21 conditions, restrictions, limitations, penalties, exclusions,
22 exemptions, and definitions of terms and employ the same modes
23 of procedure as are prescribed in Sections 2, 2a through 2d, 3
24 through 3-50 (in respect to all provisions therein other than
25 the State rate of tax), 4 (except that the reference to the
26 State shall be to the STAR bond district), 5, 7, 8 (except that

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

13 If a tax is imposed under this subsection (c), a tax shall
14 also be imposed under subsection (b) of this Section.

15 (c-10) The corporate authorities of any political
16 subdivision that has established a STAR bond district under
17 this Act may, by ordinance or resolution, impose a visitor
18 investment surcharge upon all admission and charges from
19 transactions at places of business located within the STAR
20 bond district, at a rate not to exceed 9% of the gross receipts
21 derived from any admission and charge within the STAR bond
22 district, to be imposed only in 0.25% increments to pay for
23 eligible project cost. The charge imposed under this
24 subsection and all civil penalties that may be assessed as an
25 incident thereof shall be collected and enforced by the
26 political subdivision. For purposes of this Section, "visitor

1 investment surcharges" includes, but is not limited to: (1)
2 charges for admission to or rental of any physical space or
3 venue in which attendees gather for entertainment or
4 amusement, including, but not limited to, facilities owned or
5 operated by users, destination hotels, amusement parks,
6 hotels, entertainment venues, or traditional retailers,
7 resorts, golf or pickle ball type facilities, simulator type
8 facilities, music venues, water parks, RV parks, surf parks,
9 ice rinks, family entertainment type facilities, zip line
10 courses, wake boarding courses, miniature golf courses,
11 go-cart tracks or facilities, arcades and other venues
12 designed for the playing of video games, pinball machines,
13 air-hockey, billiards tables, or other games operated by coins
14 or other payment methods, theaters, trade shows and convention
15 centers, and athletic stadiums or venues for the hosting of
16 any athletic contest; and (2) any separate charge for
17 admission or rental to or use of entertainment attractions,
18 rides, or other activities within the aforementioned venues.
19 The provisions of this subsection (c-10) are not subject to
20 subsection (d) of this Section. Notwithstanding the foregoing,
21 the visitor investment surcharge under this subsection (c-10)
22 may not be imposed on receipts from transactions that, at the
23 time the surcharge is established, are taxable under the
24 Retailers' Occupation Tax Act, the Use Tax Act, the Service
25 Use Tax Act, or the Service Occupation Tax Act.

26 (d) Persons subject to any tax imposed under this Section

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

7 Whenever the Department of Revenue determines that a
8 refund should be made under this Section to a claimant the
9 Department of Revenue shall not issue a credit memorandum. The
10 Department of Revenue shall notify the State Comptroller, who
11 shall cause the order to be drawn for the amount specified and
12 to the person named in the notification from the Department of
13 Revenue. The refund shall be paid by the State Treasurer out of
14 the STAR Bond Retailers' Occupation Tax Fund.

15 Except as otherwise provided in this subsection, the
16 Department of Revenue shall immediately pay over to the State
17 Treasurer, ex officio, as trustee, all taxes, penalties, and
18 interest collected under this Section for deposit into the
19 STAR Bond Retailers' Occupation Tax Fund. On or before the
20 25th day of each calendar month, the Department of Revenue
21 shall prepare and certify to the Comptroller the disbursement
22 of stated sums of money to named political subdivisions from
23 the STAR Bond Retailers' Occupation Tax Fund, the political
24 subdivisions to be those from which retailers have paid taxes
25 or penalties under this Section to the Department of Revenue
26 during the second preceding calendar month. The amount to be

1 paid to each political subdivision shall be the amount (not
2 including credit memoranda) collected under this Section
3 during the second preceding calendar month by the Department
4 of Revenue plus an amount the Department of Revenue determines
5 is necessary to offset any amounts that were erroneously paid
6 to a different taxing body, and not including an amount equal
7 to the amount of refunds made during the second preceding
8 calendar month by the Department of Revenue, less 3% of that
9 amount, which shall be deposited into the Tax Compliance and
10 Administration Fund and shall be used by the Department of
11 Revenue, subject to appropriation, to cover the costs of the
12 Department of Revenue in administering and enforcing the
13 provisions of this Section, on behalf of such political
14 subdivision, and not including any amount that the Department
15 of Revenue determines is necessary to offset any amounts that
16 were payable to a different taxing body but were erroneously
17 paid to the political subdivision. Within 10 days after
18 receipt by the Comptroller of the disbursement certification
19 to the political subdivisions provided for in this Section to
20 be given to the Comptroller by the Department, the Comptroller
21 shall cause the orders to be drawn for the respective amounts
22 in accordance with the directions contained in the
23 certification. The proceeds of the tax paid to political
24 subdivisions under this Section shall be deposited into either
25 (i) the STAR Bonds Tax Allocation Fund by the political
26 subdivision if the political subdivision has designated them

1 as pledged STAR revenues by resolution or ordinance or (ii)
2 the political subdivision's general corporate fund if the
3 political subdivision has not designated them as pledged STAR
4 revenues.

5 An ordinance or resolution imposing or discontinuing the
6 tax under this Section or effecting a change in the rate
7 thereof shall either (i) be adopted and a certified copy
8 thereof filed with the Department of Revenue on or before the
9 first day of April, whereupon the Department of Revenue, if
10 all other requirements of this Section are met, shall proceed
11 to administer and enforce this Section as of the first day of
12 July next following the adoption and filing; or (ii) be
13 adopted and a certified copy thereof filed with the Department
14 of Revenue on or before the first day of October, whereupon, if
15 all other requirements of this Section are met, the Department
16 of Revenue shall proceed to administer and enforce this
17 Section as of the first day of January next following the
18 adoption and filing.

19 The Department of Revenue shall not administer or enforce
20 an ordinance imposing, discontinuing, or changing the rate of
21 the tax under this Section until the political subdivision
22 also provides, in the manner prescribed by the Department of
23 Revenue, the boundaries of the STAR bond district and each
24 address in the STAR bond district in such a way that the
25 Department of Revenue can determine by its address whether a
26 business is located in the STAR bond district. The political

1 subdivision must provide this boundary and address information
2 to the Department of Revenue on or before April 1 for
3 administration and enforcement of the tax under this Section
4 by the Department of Revenue beginning on the following July 1
5 and on or before October 1 for administration and enforcement
6 of the tax under this Section by the Department of Revenue
7 beginning on the following January 1. The Department of
8 Revenue shall not administer or enforce any change made to the
9 boundaries of a STAR bond district or any address change,
10 addition, or deletion until the political subdivision reports
11 the boundary change or address change, addition, or deletion
12 to the Department of Revenue in the manner prescribed by the
13 Department of Revenue. The political subdivision must provide
14 this boundary change or address change, addition, or deletion
15 information to the Department of Revenue on or before April 1
16 for administration and enforcement by the Department of
17 Revenue of the change, addition, or deletion beginning on the
18 following July 1 and on or before October 1 for administration
19 and enforcement by the Department of Revenue of the change,
20 addition, or deletion beginning on the following January 1.
21 The retailers in the STAR bond district shall be responsible
22 for charging the tax imposed under this Section. If a retailer
23 is incorrectly included or excluded from the list of those
24 required to collect the tax under this Section, both the
25 Department of Revenue and the retailer shall be held harmless
26 if they reasonably relied on information provided by the

1 political subdivision.

2 A political subdivision that imposes the tax under this
3 Section must submit to the Department of Revenue any other
4 information as the Department of Revenue may require that is
5 necessary for the administration and enforcement of the tax.

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

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

18 The provisions of this subsection (d) apply only to taxes
19 imposed under subsection (b) and subsection (c) of this
20 Section.

21 (e) When STAR bond project costs, including, without
22 limitation, all political subdivision obligations financing
23 STAR bond project costs, have been paid, any surplus funds
24 then remaining in the STAR Bonds Tax Allocation Fund shall be
25 distributed to the treasurer of the political subdivision for
26 deposit into the political subdivision's general corporate

1 fund. Upon payment of all STAR bond project costs and
2 retirement of obligations, but in no event later than the
3 maximum maturity date of the last of the STAR bonds issued in
4 the STAR bond district, the political subdivision shall adopt
5 an ordinance immediately rescinding the taxes imposed under
6 this Section and file a certified copy of the ordinance with
7 the Department of Revenue in the form and manner as described
8 in this Section.

9 (Source: P.A. 104-453, eff. 12-12-25.)

10 (50 ILCS 475/5-55)

11 Sec. 5-55. STAR Bonds School Improvement and Operations
12 Trust Fund.

13 (a) Deposits into the STAR Bonds School Improvement and
14 Operations Trust Fund, established under Section 33 of the
15 Innovation Development and Economy Act, shall be made as
16 provided under this Section. Moneys in the Trust Fund shall be
17 used by the Department of Revenue only for the purpose of
18 making payments to regional superintendents of schools to make
19 distributions to school districts in educational service
20 regions that include the STAR bond district. Moneys in the
21 Trust Fund are not subject to appropriation and shall be used
22 solely as provided in this Section. All deposits into the
23 Trust Fund shall be held in the Trust Fund by the State
24 Treasurer as ex officio custodian separate and apart from all
25 public moneys or funds of this State and shall be distributed

1 by the Department of Revenue exclusively for the purposes set
2 forth in this Section. All moneys in the Trust Fund shall be
3 invested and reinvested by the State Treasurer. All interest
4 accruing from these investments shall be deposited into the
5 Trust Fund.

6 (b) Upon approval of a STAR bond district, the political
7 subdivision shall immediately transmit to the county clerk of
8 the county in which the district is located a certified copy of
9 the ordinance creating the district, a legal description of
10 the district, a map of the district, identification of the
11 year that the county clerk shall use for determining the total
12 initial equalized assessed value of the district consistent
13 with subsection (c), and a list of the parcel or tax
14 identification number of each parcel of property included in
15 the district.

16 (c) Upon approval of a STAR bond district, the county
17 clerk immediately thereafter shall determine (i) the most
18 recently ascertained equalized assessed value of each lot,
19 block, tract, or parcel of real property within the STAR bond
20 district, from which shall be deducted the homestead
21 exemptions under Article 15 of the Property Tax Code, which
22 value shall be the initial equalized assessed value of each
23 such piece of property, and (ii) the total equalized assessed
24 value of all taxable real property within the district by
25 adding together the most recently ascertained equalized
26 assessed value of each taxable lot, block, tract, or parcel of

1 real property within the district, from which shall be
2 deducted the homestead exemptions under Article 15 of the
3 Property Tax Code, and shall certify that amount as the total
4 initial equalized assessed value of the taxable real property
5 within the STAR bond district.

6 (d) In reference to any STAR bond district created within
7 any political subdivision, and in respect to which the county
8 clerk has certified the total initial equalized assessed value
9 of the property in the area, the political subdivision may
10 thereafter request the clerk in writing to adjust the initial
11 equalized value of all taxable real property within the STAR
12 bond district by deducting from it the exemptions under
13 Article 15 of the Property Tax Code applicable to each lot,
14 block, tract, or parcel of real property within the STAR bond
15 district. The county clerk shall immediately, after the
16 written request to adjust the total initial equalized value is
17 received, determine the total homestead exemptions in the STAR
18 bond district as provided under Article 15 of the Property Tax
19 Code by adding together the homestead exemptions provided by
20 Article 15 on each lot, block, tract, or parcel of real
21 property within the STAR bond district and then shall deduct
22 the total of the exemptions from the total initial equalized
23 assessed value. The county clerk shall then promptly certify
24 that amount as the total initial equalized assessed value as
25 adjusted of the taxable real property within the STAR bond
26 district.

1 (e) The county clerk or other person authorized by law
2 shall compute the tax rates for each taxing district with all
3 or a portion of its equalized assessed value located in the
4 STAR bond district. The rate per cent of tax determined shall
5 be extended to the current equalized assessed value of all
6 property in the district in the same manner as the rate per
7 cent of tax is extended to all other taxable property in the
8 taxing district.

9 (f) Beginning with the assessment year in which the first
10 development user in the first STAR bond project in a STAR bond
11 district makes its first retail sales and for each assessment
12 year thereafter until final maturity of the last STAR bonds
13 issued in the district, the county clerk or other person
14 authorized by law shall determine the increase in equalized
15 assessed value of all real property within the STAR bond
16 district by subtracting the initial equalized assessed value
17 of all property in the district certified under subsection (c)
18 from the current equalized assessed value of all property in
19 the district. Each year, the property taxes arising from the
20 increase in equalized assessed value in the STAR bond district
21 shall be determined for each taxing district and shall be
22 certified to the county collector.

23 (g) Except in a NOVA district or in a NOVA urban district,
24 beginning ~~Beginning~~ with the year in which taxes are collected
25 based on the assessment year in which the first development
26 user in the first STAR bond project in a STAR bond district

1 makes its first retail sales and for each year thereafter
2 until final maturity of the last STAR bonds issued in the
3 district, the county collector shall, within 30 days after
4 receipt of property taxes, transmit to the Department of
5 Revenue to be deposited into the STAR Bonds School Improvement
6 and Operations Trust Fund 15% of property taxes attributable
7 to the increase in equalized assessed value within the STAR
8 bond district from each taxing district as certified in
9 subsection (f).

10 (h) The Department of Revenue shall pay to the regional
11 superintendent of schools whose educational service region
12 includes a STAR bond district, for each year for which money is
13 remitted to the Department of Revenue and paid into the STAR
14 Bonds School Improvement and Operations Trust Fund, the money
15 in the Fund as provided in this Section. The amount paid to
16 each school district shall be allocated proportionately by the
17 regional superintendent of schools, based on each qualifying
18 school district's fall enrollment for the then-current school
19 year, such that the school district with the largest fall
20 enrollment receives the largest proportionate share of money
21 paid out of the Fund or by any other method or formula that the
22 regional superintendent of schools deems fit, equitable, and
23 in the public interest. The regional superintendent may
24 allocate moneys to school districts that are outside the
25 regional superintendent's educational service region or to
26 other regional superintendents.

1 The Department of Revenue shall be held harmless for the
2 distributions made under this Section and all distributions
3 shall be final.

4 (i) In any year that an assessment appeal is filed, the
5 extension of taxes on any assessment so appealed shall not be
6 delayed. In the case of an assessment that is altered, any
7 taxes extended upon the unauthorized assessment or part
8 thereof shall be abated, or, if already paid, shall be
9 refunded with interest as provided in Section 23-20 of the
10 Property Tax Code. In the case of an assessment appeal, the
11 county collector shall notify the Department of Revenue that
12 an assessment appeal has been filed and the amount of the tax
13 that would have been deposited into the STAR Bonds School
14 Improvement and Operations Trust Fund. The county collector
15 shall hold that amount in a separate fund until the appeal
16 process is final. After the appeal process is finalized, the
17 county collector shall transmit to the Department of Revenue
18 the amount of tax that remains, if any, after all required
19 refunds are made.

20 (j) In any year that ad valorem taxes are allocated to the
21 STAR Bonds School Improvement and Operations Trust Fund, that
22 allocation shall not reduce or otherwise impact the school aid
23 provided to any school district under the general State school
24 aid formula provided for in Section 18-8.05 of the School Code
25 or the evidence-based funding formula provided for in Section
26 18-8.15 of the School Code.

1 (Source: P.A. 104-453, eff. 12-12-25.)

2 (50 ILCS 475/5-70)

3 Sec. 5-70. Restrictions. STAR bond districts may lie
4 within an enterprise zone. ~~During any period of time that STAR~~
5 ~~bonds are outstanding for a STAR bond district, a developer~~
6 ~~may not use any land located in the STAR bond district for any~~
7 ~~retail store whose primary business is the sale of~~
8 ~~automobiles, including trucks and other automotive vehicles~~
9 ~~with 4 wheels designed for passenger transportation on public~~
10 ~~streets and thoroughfares.~~ No STAR bond district, other than a
11 NOVA urban district, may contain more than 900,000 square feet
12 of floor space devoted to traditional retail use, which does
13 not include space devoted to entertainment venues, hotels,
14 warehouse space, storage space, or approved development users.
15 (Source: P.A. 104-453, eff. 12-12-25.)

16 (50 ILCS 475/5-75)

17 Sec. 5-75. Reporting taxes.

18 (a) Notwithstanding any other provisions of law to the
19 contrary, the Department of Revenue shall provide a certified
20 report of the State sales tax increment and local sales tax
21 increment from all taxpayers within a STAR bond district to
22 the bond trustee, escrow agent, or paying agent for such bonds
23 upon the written request of the political subdivision on or
24 before the 25th day of each month. Such report shall provide a

1 detailed allocation of State sales tax increment and local
2 sales tax increment from each local sales tax and State sales
3 tax reported to the Department of Revenue.

4 The bond trustee, escrow agent, or paying agent shall keep
5 such sales and use tax reports and the information contained
6 therein confidential, but may use such information for
7 purposes of allocating and depositing the sales and use tax
8 revenues in connection with the bonds used to finance project
9 costs in such STAR bond district. Except as otherwise provided
10 in this Section, the sales and use tax reports received by the
11 bond trustee, escrow agent, or paying agent shall be subject
12 to the confidentiality provisions of Section 11 of the
13 Retailers' Occupation Tax Act. Notwithstanding the provisions
14 of this Section, local hotel taxes and visitor investment
15 surcharges that are designated as pledged STAR revenues
16 pursuant to this Act shall not be included in the Department of
17 Revenue's certified report and shall instead be reported to
18 the bond trustee, escrow agent, or paying agent by the
19 political subdivision in such form and manner as may be
20 provided in the applicable bond documents.

21 (b) The political subdivision shall determine when the
22 amount of sales tax and other revenues that have been
23 collected and distributed to the bond debt service or reserve
24 fund is sufficient to satisfy all principal and interest costs
25 to the maturity date or dates of any STAR bond issued by a
26 political subdivision to finance a STAR bond project and shall

1 give the Department of Revenue written notice of such
2 determination. The notice shall include a date certain on
3 which deposits into the STAR Bonds Revenue Fund for that STAR
4 bond project shall terminate and shall be provided to the
5 Department of Revenue at least 60 days prior to that date.
6 Thereafter, all sales tax and other revenues shall be
7 collected and distributed in accordance with applicable law.

8 If the political subdivision fails to give timely notice
9 under this subsection (b), the Department of Revenue, upon
10 discovery of this failure, shall cease distribution of the
11 State sales tax increment to the political subdivision, shall
12 transfer any State sales tax increment in the STAR Bonds
13 Revenue Fund to the General Revenue Fund, and shall cease
14 deposits of State sales tax increment amounts into the STAR
15 Bonds Revenue Fund. Any amount of State sales tax increment
16 distributed to the political subdivision from the STAR Bonds
17 Revenue Fund in excess of the amount sufficient to satisfy all
18 principal and interest costs to the maturity date or dates of
19 any STAR bond issued by the political subdivision to finance a
20 STAR bond project shall be repaid to the Department of Revenue
21 and deposited into the General Revenue Fund. If not repaid
22 within 90 days after notice from the State, the Department of
23 Revenue shall withhold distributions to the political
24 subdivision from the Local Government Tax Fund until the
25 excess amount is repaid, which withheld amounts shall be
26 transferred to the General Revenue Fund.

1 (Source: P.A. 104-453, eff. 12-12-25.)

2 Section 10-35. The Counties Code is amended by changing
3 Sections 5-1006, 5-1006.8, 5-1006.9, 5-1007, and 5-1030 as
4 follows:

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

6 Sec. 5-1006. Home Rule County Retailers' Occupation Tax
7 Law. Any county that is a home rule unit may impose a tax upon
8 all persons engaged in the business of selling tangible
9 personal property, other than an item of tangible personal
10 property titled or registered with an agency of this State's
11 government, at retail in the county on the gross receipts from
12 such sales made in the course of their business. If imposed,
13 this tax shall only be imposed in 1/4% increments. On and after
14 September 1, 1991, this additional tax may not be imposed on
15 tangible personal property taxed at the 1% rate under the
16 Retailers' Occupation Tax Act (or at the 0% rate imposed under
17 this amendatory Act of the 102nd General Assembly). Beginning
18 December 1, 2019, this tax is not imposed on sales of aviation
19 fuel unless the tax revenue is expended for airport-related
20 purposes. If the county does not have an airport-related
21 purpose to which it dedicates aviation fuel tax revenue, then
22 aviation fuel is excluded from the tax. The county must comply
23 with the certification requirements for airport-related
24 purposes under Section 2-22 of the Retailers' Occupation Tax

1 Act. For purposes of this Section, "airport-related purposes"
2 has the meaning ascribed in Section 6z-20.2 of the State
3 Finance Act. This exclusion for aviation fuel only applies for
4 so long as the revenue use requirements of 49 U.S.C. 47107(b)
5 and 49 U.S.C. 47133 are binding on the county. The changes made
6 to this Section by this amendatory Act of the 101st General
7 Assembly are a denial and limitation of home rule powers and
8 functions under subsection (g) of Section 6 of Article VII of
9 the Illinois Constitution.

10 If, on January 1, 2025, a unit of local government has in
11 effect a tax under this Section, or if, after January 1, 2025,
12 a unit of local government imposes a tax under this Section,
13 then that tax applies to leases of tangible personal property
14 in effect, entered into, or renewed on or after that date in
15 the same manner as the tax under this Section and in accordance
16 with the changes made by this amendatory Act of the 103rd
17 General Assembly.

18 The tax imposed by a home rule county pursuant to this
19 Section and all civil penalties that may be assessed as an
20 incident thereof shall be collected and enforced by the State
21 Department of Revenue. The certificate of registration that is
22 issued by the Department to a retailer under the Retailers'
23 Occupation Tax Act shall permit the retailer to engage in a
24 business that is taxable under any ordinance or resolution
25 enacted pursuant to this Section without registering
26 separately with the Department under such ordinance or

1 resolution or under this Section. The Department shall have
2 full power to administer and enforce this Section; to collect
3 all taxes and penalties due hereunder; to dispose of taxes and
4 penalties so collected in the manner hereinafter provided; and
5 to determine all rights to credit memoranda arising on account
6 of the erroneous payment of tax or penalty hereunder. In the
7 administration of, and compliance with, this Section, the
8 Department and persons who are subject to this Section shall
9 have the same rights, remedies, privileges, immunities, powers
10 and duties, and be subject to the same conditions,
11 restrictions, limitations, penalties and definitions of terms,
12 and employ the same modes of procedure, as are prescribed in
13 Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through
14 2-65 (in respect to all provisions therein other than the
15 State rate of tax), 3 (except as to the disposition of taxes
16 and penalties collected, and except that the retailer's
17 discount is not allowed for taxes paid on aviation fuel that
18 are subject to the revenue use requirements of 49 U.S.C.
19 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,
20 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12
21 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of
22 the Uniform Penalty and Interest Act, as fully as if those
23 provisions were set forth herein.

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

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

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

17 Except as otherwise provided in this paragraph, the
18 Department shall forthwith pay over to the State Treasurer, ex
19 officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the Home Rule County Retailers'
21 Occupation Tax Fund. Taxes and penalties collected on aviation
22 fuel sold on or after December 1, 2019, shall be immediately
23 paid over by the Department to the State Treasurer, ex
24 officio, as trustee, for deposit into the Local Government
25 Aviation Trust Fund. The Department shall only pay moneys into
26 the Local Government Aviation Trust Fund under this Section

1 for so long as the revenue use requirements of 49 U.S.C.
2 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

11 As soon as possible after the first day of each month,
12 beginning July 1, 2026, upon certification of the Department
13 of Revenue, the Comptroller shall order transferred, and the
14 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
15 local sales tax increment, as defined in the Statewide
16 Innovation Development and Economy Act, collected under this
17 Section during the second preceding calendar month for sales
18 within a STAR bond district.

19 After the monthly transfers ~~transfer~~ to the STAR Bonds
20 Revenue Fund, on or before the 25th day of each calendar month,
21 the Department shall prepare and certify to the Comptroller
22 the disbursement of stated sums of money to named counties,
23 the counties to be those from which retailers have paid taxes
24 or penalties hereunder to the Department during the second
25 preceding calendar month. The amount to be paid to each county
26 shall be the amount (not including credit memoranda and not

1 including taxes and penalties collected on aviation fuel sold
2 on or after December 1, 2019) collected hereunder during the
3 second preceding calendar month by the Department plus an
4 amount the Department determines is necessary to offset any
5 amounts that were erroneously paid to a different taxing body,
6 and not including an amount equal to the amount of refunds made
7 during the second preceding calendar month by the Department
8 on behalf of such county, and not including any amount which
9 the Department determines is necessary to offset any amounts
10 which were payable to a different taxing body but were
11 erroneously paid to the county, and not including any amounts
12 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
13 of the remainder, which the Department shall transfer into the
14 Tax Compliance and Administration Fund. The Department, at the
15 time of each monthly disbursement to the counties, shall
16 prepare and certify to the State Comptroller the amount to be
17 transferred into the Tax Compliance and Administration Fund
18 under this Section. Within 10 days after receipt, by the
19 Comptroller, of the disbursement certification to the counties
20 and the Tax Compliance and Administration Fund provided for in
21 this Section to be given to the Comptroller by the Department,
22 the Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with the directions contained
24 in the certification.

25 In addition to the disbursement required by the preceding
26 paragraph, an allocation shall be made in March of each year to

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

14 For the purpose of determining the local governmental unit
15 whose tax is applicable, a retail sale by a producer of coal or
16 other mineral mined in Illinois is a sale at retail at the
17 place 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 the
21 sale is exempt under the United States Constitution as a sale
22 in interstate or foreign commerce.

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

1 An ordinance or resolution imposing or discontinuing a tax
2 hereunder or effecting a change in the rate thereof shall be
3 adopted and a certified copy thereof filed with the Department
4 on or before the first day of June, whereupon the Department
5 shall proceed to administer and enforce this Section as of the
6 first day of September next following such adoption and
7 filing. Beginning January 1, 1992, an ordinance or resolution
8 imposing or discontinuing the tax hereunder or effecting a
9 change in the rate thereof shall be adopted and a certified
10 copy thereof filed with the Department on or before the first
11 day of July, whereupon the Department shall proceed to
12 administer and enforce this Section as of the first day of
13 October next following such adoption and filing. Beginning
14 January 1, 1993, an ordinance or resolution imposing or
15 discontinuing the tax hereunder or effecting a change in the
16 rate thereof shall be adopted and a certified copy thereof
17 filed with the Department on or before the first day of
18 October, whereupon the Department shall proceed to administer
19 and enforce this Section as of the first day of January next
20 following such adoption and filing. Beginning April 1, 1998,
21 an ordinance or resolution imposing or discontinuing the tax
22 hereunder or effecting a change in the rate thereof shall
23 either (i) be adopted and a certified copy thereof filed with
24 the Department on or before the first day of April, whereupon
25 the Department shall proceed to administer and enforce this
26 Section as of the first day of July next following the adoption

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

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

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

14 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

15 (55 ILCS 5/5-1006.8)

16 Sec. 5-1006.8. County Cannabis Retailers' Occupation Tax
17 Law.

18 (a) This Section may be referred to as the County Cannabis
19 Retailers' Occupation Tax Law. The corporate authorities of
20 any county may, by ordinance, impose a tax upon all persons
21 engaged in the business of selling cannabis, other than
22 cannabis purchased under the Compassionate Use of Medical
23 Cannabis Program Act, at retail in the county on the gross
24 receipts from these sales made in the course of that business.
25 If imposed, the tax shall be imposed only in 0.25% increments.

1 The tax rate may not exceed: (i) 3.75% of the gross receipts of
2 sales made in unincorporated areas of the county; and (ii) 3%
3 of the gross receipts of sales made in a municipality located
4 in the county. The tax imposed under this Section and all civil
5 penalties that may be assessed as an incident of the tax shall
6 be collected and enforced by the Department of Revenue. The
7 Department of Revenue shall have full power to administer and
8 enforce this Section; to collect all taxes and penalties due
9 hereunder; to dispose of taxes and penalties so collected in
10 the manner hereinafter provided; and to determine all rights
11 to credit memoranda arising on account of the erroneous
12 payment of tax or penalty under this Section. In the
13 administration of and compliance with this Section, the
14 Department of Revenue and persons who are subject to this
15 Section shall have the same rights, remedies, privileges,
16 immunities, powers and duties, and be subject to the same
17 conditions, restrictions, limitations, penalties, and
18 definitions of terms, and employ the same modes of procedure,
19 as are described in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
20 1n, 2 through 2-65 (in respect to all provisions therein other
21 than the State rate of tax), 2a, 2b, 2c, 2i, 3 (except as to
22 the disposition of taxes and penalties collected), 4, 5, 5a,
23 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6bb, 6c, 6d,
24 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation
25 Tax Act and Section 3-7 of the Uniform Penalty and Interest Act
26 as fully as if those provisions were set forth in this Section.

1 (b) Persons subject to any tax imposed under the authority
2 granted in this Section may reimburse themselves for their
3 seller's tax liability hereunder by separately stating that
4 tax as an additional charge, which charge may be stated in
5 combination, in a single amount, with any State tax that
6 sellers are required to collect.

7 (c) Whenever the Department of Revenue determines that a
8 refund should be made under this Section to a claimant instead
9 of issuing a credit memorandum, the Department of Revenue
10 shall notify the State Comptroller, who shall cause the order
11 to be drawn for the amount specified and to the person named in
12 the notification from the Department of Revenue.

13 (d) Except as otherwise provided in this Section, the ~~The~~
14 Department of Revenue shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected hereunder for deposit into the Local Cannabis
17 Retailers' Occupation Tax Trust Fund.

18 As soon as possible after the first day of each month,
19 beginning July 1, 2026, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Statewide
23 Innovation Development and Economy Act, collected under this
24 Section during the second preceding calendar month for sales
25 within a STAR bond district.

26 (e) After the monthly transfer to the STAR Bonds Revenue

1 Fund, on ~~On~~ or before the 25th day of each calendar month, the
2 Department of Revenue shall prepare and certify to the
3 Comptroller the amount of money to be disbursed from the Local
4 Cannabis Retailers' Occupation Tax Trust Fund to counties from
5 which retailers have paid taxes or penalties under this
6 Section during the second preceding calendar month. The amount
7 to be paid to each county shall be the amount (not including
8 credit memoranda) collected under this Section from sales made
9 in the county during the second preceding calendar month, plus
10 an amount the Department of Revenue determines is necessary to
11 offset any amounts that were erroneously paid to a different
12 taxing body, and not including an amount equal to the amount of
13 refunds made during the second preceding calendar month by the
14 Department on behalf of such county, and not including any
15 amount that the Department determines is necessary to offset
16 any amounts that were payable to a different taxing body but
17 were erroneously paid to the county, and not including any
18 amounts that are transferred to the STAR Bonds Revenue Fund,
19 less 1.5% of the remainder, which the Department shall
20 transfer into the Tax Compliance and Administration Fund. The
21 Department, at the time of each monthly disbursement to the
22 counties, shall prepare and certify the State Comptroller the
23 amount to be transferred into the Tax Compliance and
24 Administration Fund under this Section. Within 10 days after
25 receipt by the Comptroller of the disbursement certification
26 to the counties and the Tax Compliance and Administration Fund

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

5 (f) An ordinance or resolution imposing or discontinuing a
6 tax under this Section or effecting a change in the rate
7 thereof that is adopted on or after June 25, 2019 (the
8 effective date of Public Act 101-27) and for which a certified
9 copy is filed with the Department on or before April 1, 2020
10 shall be administered and enforced by the Department beginning
11 on July 1, 2020. For ordinances filed with the Department
12 after April 1, 2020, an ordinance or resolution imposing or
13 discontinuing a tax under this Section or effecting a change
14 in the rate thereof shall either (i) be adopted and a certified
15 copy thereof filed with the Department on or before the first
16 day of April, whereupon the Department shall proceed to
17 administer and enforce this Section as of the first day of July
18 next following the adoption and filing; or (ii) be adopted and
19 a certified copy thereof filed with the Department on or
20 before the first day of October, whereupon the Department
21 shall proceed to administer and enforce this Section as of the
22 first day of January next following the adoption and filing.

23 (g) Notwithstanding any provision in this Section to the
24 contrary, if an ordinance or resolution imposing a tax under
25 this Section was adopted on or before October 1, 2020 and a
26 certified copy thereof was filed with the Department of

1 Revenue on or before November 1, 2020, then the Department
2 shall proceed to administer and enforce this Section as of May
3 1, 2021 for such ordinances or resolutions.

4 (Source: P.A. 101-27, eff. 6-25-19; 101-363, eff. 8-9-19;
5 101-593, eff. 12-4-19; 102-2, eff. 4-2-21.)

6 (55 ILCS 5/5-1006.9)

7 Sec. 5-1006.9. County Grocery Occupation Tax Law.

8 (a) The corporate authorities of any county may, by
9 ordinance or resolution that takes effect on or after January
10 1, 2026, impose a tax upon all persons engaged in the business
11 of selling groceries at retail in the county, but outside of
12 any municipality, on the gross receipts from those sales made
13 in the course of that business. If imposed, the tax shall be at
14 the rate of 1% of the gross receipts from these sales.

15 The tax imposed by a county under this subsection and all
16 civil penalties that may be assessed as an incident of the tax
17 shall be collected and enforced by the Department. The
18 certificate of registration that is issued by the Department
19 to a retailer under the Retailers' Occupation Tax Act shall
20 permit the retailer to engage in a business that is taxable
21 under any ordinance or resolution enacted under this
22 subsection without registering separately with the Department
23 under that ordinance or resolution or under this subsection.

24 The Department shall have full power to administer and
25 enforce this subsection; to collect all taxes and penalties

1 due under this subsection; to dispose of taxes and penalties
2 so collected in the manner provided in this Section and under
3 rules adopted by the Department; and to determine all rights
4 to credit memoranda arising on account of the erroneous
5 payment of tax or penalty under this subsection.

6 In the administration of, and compliance with, this
7 subsection, the Department and persons who are subject to this
8 subsection shall have the same rights, remedies, privileges,
9 immunities, powers, and duties, and be subject to the same
10 conditions, restrictions, limitations, penalties and
11 definitions of terms, and employ the same modes of procedure,
12 as are prescribed in Sections 1, 2 through 2-65 (in respect to
13 all provisions therein other than the State rate of tax and
14 other than the exemption for food for human consumption that
15 is to be consumed off the premises where it is sold (other than
16 alcoholic beverages, food consisting of or infused with adult
17 use cannabis, soft drinks, candy, and food that has been
18 prepared for immediate consumption), which is authorized to be
19 taxed as provided in this subsection), 2c, 3 (except as to the
20 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
21 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
22 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of
23 the Uniform Penalty and Interest Act, as fully as if those
24 provisions were set forth in this Section.

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

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

6 (b) If a tax has been imposed under subsection (a), then a
7 service occupation tax must also be imposed at the same rate
8 upon all persons engaged, in the county but outside of a
9 municipality, in the business of making sales of service, who,
10 as an incident to making those sales of service, transfer
11 groceries, as defined in this Section, as an incident to a sale
12 of service.

13 The tax imposed under this subsection and all civil
14 penalties that may be assessed as an incident thereof shall be
15 collected and enforced by the Department. The certificate of
16 registration that is issued by the Department to a retailer
17 under the Retailers' Occupation Tax Act or the Service
18 Occupation Tax Act shall permit the registrant to engage in a
19 business that is taxable under any ordinance or resolution
20 enacted pursuant to this subsection without registering
21 separately with the Department under the ordinance or
22 resolution or under this subsection.

23 The Department shall have full power to administer and
24 enforce this subsection, to collect all taxes and penalties
25 due under this subsection, to dispose of taxes and penalties
26 so collected in the manner provided in this Section and under

1 rules adopted by the Department, and to determine all rights
2 to credit memoranda arising on account of the erroneous
3 payment of a tax or penalty under this subsection.

4 In the administration of and compliance with this
5 subsection, the Department and persons who are subject to this
6 subsection shall have the same rights, remedies, privileges,
7 immunities, powers and duties, and be subject to the same
8 conditions, restrictions, limitations, penalties and
9 definitions of terms, and employ the same modes of procedure
10 as are set forth in Sections 2, 2c, 3 through 3-50 (in respect
11 to all provisions contained in those Sections other than: (i)
12 the State rate of tax; (ii) the exemption for food for human
13 consumption that is to be consumed off the premises where it is
14 sold (other than alcoholic beverages, food consisting of or
15 infused with adult use cannabis, soft drinks, candy, and food
16 that has been prepared for immediate consumption), which is
17 authorized to be taxed as provided in this subsection; and
18 (iii) the exemption for food prepared for immediate
19 consumption and transferred incident to a sale of service
20 subject to the Service Occupation Tax Act or the Service Use
21 Tax Act by an entity licensed under the Hospital Licensing
22 Act, the Nursing Home Care Act, the Assisted Living and Shared
23 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
24 Specialized Mental Health Rehabilitation Act of 2013, or the
25 Child Care Act of 1969, or an entity that holds a permit issued
26 pursuant to the Life Care Facilities Act, which is authorized

1 to be taxed as provided in this subsection), 4, 5, 7, 8, 9
2 (except as to the disposition of taxes and penalties
3 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the
4 Service Occupation Tax Act and all provisions of the Uniform
5 Penalty and Interest Act, as fully as if those provisions were
6 set forth in this Section.

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

14 (c) The Department shall immediately pay over to the State
15 Treasurer, ex officio, as trustee, all taxes and penalties
16 collected under this Section. Those taxes and penalties shall
17 be deposited into the County Grocery Tax Trust Fund, a trust
18 fund created in the State treasury. Except as otherwise
19 provided in this Section, moneys in the County Grocery Tax
20 Trust Fund shall be used to make payments to counties and for
21 the payment of refunds under this Section.

22 Moneys deposited into the County Grocery Tax Trust Fund
23 under this Section are not subject to appropriation and shall
24 be used as provided in this Section. All deposits into the
25 County Grocery Tax Trust Fund shall be held in the County
26 Grocery Tax Trust Fund by the State Treasurer, ex officio, as

1 trustee separate and apart from all public moneys or funds of
2 this State.

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

10 (d) As soon as possible after the first day of each month,
11 upon certification of the Department, the Comptroller shall
12 order transferred, and the Treasurer shall transfer, to the
13 STAR Bonds Revenue Fund the local sales tax increment, if any,
14 as defined in the Innovation Development and Economy Act,
15 collected under this Section.

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

23 After the monthly transfers ~~transfer~~ to the STAR Bonds
24 Revenue Fund, if any, on or before the 25th day of each
25 calendar month, the Department shall prepare and certify to
26 the Comptroller the disbursement of stated sums of money to

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

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

1 (f) Except as otherwise provided in this subsection, an
2 ordinance or resolution imposing or discontinuing the tax
3 hereunder or effecting a change in the rate thereof shall
4 either (i) be adopted and a certified copy thereof filed with
5 the Department on or before the first day of April, whereupon
6 the Department shall proceed to administer and enforce this
7 Section as of the first day of July next following the adoption
8 and filing, or (ii) be adopted and a certified copy thereof
9 filed with the Department on or before the first day of
10 October, whereupon the Department shall proceed to administer
11 and enforce this Section as of the first day of January next
12 following the adoption and filing.

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

19 (h) As used in this Section, "Department" means the
20 Department of Revenue.

21 For purposes of the tax authorized to be imposed under
22 subsection (a), "groceries" has the same meaning as "food for
23 human consumption that is to be consumed off the premises
24 where it is sold (other than alcoholic beverages, food
25 consisting of or infused with adult use cannabis, soft drinks,
26 candy, and food that has been prepared for immediate

1 consumption)", as further defined in Section 2-10 of the
2 Retailers' Occupation Tax Act.

3 For purposes of the tax authorized to be imposed under
4 subsection (b), "groceries" has the same meaning as "food for
5 human consumption that is to be consumed off the premises
6 where it is sold (other than alcoholic beverages, food
7 consisting of or infused with adult use cannabis, soft drinks,
8 candy, and food that has been prepared for immediate
9 consumption)", as further defined in Section 3-10 of the
10 Service Occupation Tax Act.

11 For purposes of the tax authorized to be imposed under
12 subsection (b), "groceries" also means food prepared for
13 immediate consumption and transferred incident to a sale of
14 service subject to the Service Occupation Tax Act or the
15 Service Use Tax Act by an entity licensed under the Hospital
16 Licensing Act, the Nursing Home Care Act, the Assisted Living
17 and Shared Housing Act, the ID/DD Community Care Act, the
18 MC/DD Act, the Specialized Mental Health Rehabilitation Act of
19 2013, or the Child Care Act of 1969, or an entity that holds a
20 permit issued pursuant to the Life Care Facilities Act.

21 (i) This Section may be referred to as the County Grocery
22 Occupation Tax Law.

23 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

24 (55 ILCS 5/5-1007) (from Ch. 34, par. 5-1007)

25 Sec. 5-1007. Home Rule County Service Occupation Tax Law.

1 The corporate authorities of a home rule county may impose a
2 tax upon all persons engaged, in such county, in the business
3 of making sales of service at the same rate of tax imposed
4 pursuant to Section 5-1006 of the selling price of all
5 tangible personal property transferred by such servicemen
6 either in the form of tangible personal property or in the form
7 of real estate as an incident to a sale of service. If imposed,
8 such tax shall only be imposed in 1/4% increments. On and after
9 September 1, 1991, this additional tax may not be imposed on
10 tangible personal property taxed at the 1% rate under the
11 Service Occupation Tax Act (or at the 0% rate imposed under
12 this amendatory Act of the 102nd General Assembly). Beginning
13 December 1, 2019, this tax is not imposed on sales of aviation
14 fuel unless the tax revenue is expended for airport-related
15 purposes. If the county does not have an airport-related
16 purpose to which it dedicates aviation fuel tax revenue, then
17 aviation fuel is excluded from the tax. The county must comply
18 with the certification requirements for airport-related
19 purposes under Section 2-22 of the Retailers' Occupation Tax
20 Act. For purposes of this Section, "airport-related purposes"
21 has the meaning ascribed in Section 6z-20.2 of the State
22 Finance Act. This exclusion for aviation fuel only applies for
23 so long as the revenue use requirements of 49 U.S.C. 47107(b)
24 and 49 U.S.C. 47133 are binding on the county. The changes made
25 to this Section by this amendatory Act of the 101st General
26 Assembly are a denial and limitation of home rule powers and

1 functions under subsection (g) of Section 6 of Article VII of
2 the Illinois Constitution. The tax imposed by a home rule
3 county pursuant to this Section and all civil penalties that
4 may be assessed as an incident thereof shall be collected and
5 enforced by the State Department of Revenue. The certificate
6 of registration which is issued by the Department to a
7 retailer under the Retailers' Occupation Tax Act or under the
8 Service Occupation Tax Act shall permit such registrant to
9 engage in a business which is taxable under any ordinance or
10 resolution enacted pursuant to this Section without
11 registering separately with the Department under such
12 ordinance or resolution or under this Section. The Department
13 shall have full power to administer and enforce this Section;
14 to collect all taxes and penalties due hereunder; to dispose
15 of taxes and penalties so collected in the manner hereinafter
16 provided; and to determine all rights to credit memoranda
17 arising on account of the erroneous payment of tax or penalty
18 hereunder. In the administration of, and compliance with, this
19 Section the Department and persons who are subject to this
20 Section shall have the same rights, remedies, privileges,
21 immunities, powers and duties, and be subject to the same
22 conditions, restrictions, limitations, penalties and
23 definitions of terms, and employ the same modes of procedure,
24 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in
25 respect to all provisions therein other than the State rate of
26 tax), 4 (except that the reference to the State shall be to the

1 taxing county), 5, 7, 8 (except that the jurisdiction to which
2 the tax shall be a debt to the extent indicated in that Section
3 8 shall be the taxing county), 9 (except as to the disposition
4 of taxes and penalties collected, and except that the returned
5 merchandise credit for this county tax may not be taken
6 against any State tax, and except that the retailer's discount
7 is not allowed for taxes paid on aviation fuel that are subject
8 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
9 U.S.C. 47133), 10, 11, 12 (except the reference therein to
10 Section 2b of the Retailers' Occupation Tax Act), 13 (except
11 that any reference to the State shall mean the taxing county),
12 the first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
13 Service Occupation Tax Act and Section 3-7 of the Uniform
14 Penalty and Interest Act, as fully as if those provisions were
15 set forth herein.

16 No tax may be imposed by a home rule county pursuant to
17 this Section unless such county also imposes a tax at the same
18 rate pursuant to Section 5-1006.

19 If, on January 1, 2025, a unit of local government has in
20 effect a tax under this Section, or if, after January 1, 2025,
21 a unit of local government imposes a tax under this Section,
22 then that tax applies to leases of tangible personal property
23 in effect, entered into, or renewed on or after that date in
24 the same manner as the tax under this Section and in accordance
25 with the changes made by this amendatory Act of the 103rd
26 General Assembly.

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

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

18 Except as otherwise provided in this paragraph, the
19 Department shall forthwith pay over to the State Treasurer, ex
20 officio, as trustee, all taxes and penalties collected
21 hereunder for deposit into the Home Rule County Retailers'
22 Occupation Tax Fund. Taxes and penalties collected on aviation
23 fuel sold on or after December 1, 2019, shall be immediately
24 paid over by the Department to the State Treasurer, ex
25 officio, as trustee, for deposit into the Local Government
26 Aviation Trust Fund. The Department shall only pay moneys into

1 the Local Government Aviation Trust Fund under this Section
2 for so long as the revenue use requirements of 49 U.S.C.
3 47107(b) and 49 U.S.C. 47133 are binding on the county.

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

12 As soon as possible after the first day of each month,
13 beginning July 1, 2026, upon certification of the Department
14 of Revenue, the Comptroller shall order transferred, and the
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
16 local sales tax increment, as defined in the Statewide
17 Innovation Development and Economy Act, collected under this
18 Section during the second preceding calendar month for sales
19 within a STAR bond district.

20 After the monthly transfers ~~transfer~~ to the STAR Bonds
21 Revenue Fund, on or before the 25th day of each calendar month,
22 the Department shall prepare and certify to the Comptroller
23 the disbursement of stated sums of money to named counties,
24 the counties to be those from which suppliers and servicemen
25 have paid taxes or penalties hereunder to the Department
26 during the second preceding calendar month. The amount to be

1 paid to each county shall be the amount (not including credit
2 memoranda and not including taxes and penalties collected on
3 aviation fuel sold on or after December 1, 2019) collected
4 hereunder during the second preceding calendar month by the
5 Department, and not including an amount equal to the amount of
6 refunds made during the second preceding calendar month by the
7 Department on behalf of such county, and not including any
8 amounts that are transferred to the STAR Bonds Revenue Fund,
9 less 1.5% of the remainder, which the Department shall
10 transfer into the Tax Compliance and Administration Fund. The
11 Department, at the time of each monthly disbursement to the
12 counties, shall prepare and certify to the State Comptroller
13 the amount to be transferred into the Tax Compliance and
14 Administration Fund under this Section. Within 10 days after
15 receipt, by the Comptroller, of the disbursement certification
16 to the counties and the Tax Compliance and Administration Fund
17 provided for in this Section to be given to the Comptroller by
18 the Department, the Comptroller shall cause the orders to be
19 drawn for the respective amounts in accordance with the
20 directions contained in such certification.

21 In addition to the disbursement required by the preceding
22 paragraph, an allocation shall be made in each year to each
23 county which received more than \$500,000 in disbursements
24 under the preceding paragraph in the preceding calendar year.
25 The allocation shall be in an amount equal to the average
26 monthly distribution made to each such county under the

1 preceding paragraph during the preceding calendar year
2 (excluding the 2 months of highest receipts). The distribution
3 made in March of each year subsequent to the year in which an
4 allocation was made pursuant to this paragraph and the
5 preceding paragraph shall be reduced by the amount allocated
6 and disbursed under this paragraph in the preceding calendar
7 year. The Department shall prepare and certify to the
8 Comptroller for disbursement the allocations made in
9 accordance with this paragraph.

10 Nothing in this Section shall be construed to authorize a
11 county to impose a tax upon the privilege of engaging in any
12 business which under the Constitution of the United States may
13 not be made the subject of taxation by this State.

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

1 January 1, 1993, an ordinance or resolution imposing or
2 discontinuing the tax hereunder or effecting a change in the
3 rate thereof shall be adopted and a certified copy thereof
4 filed with the Department on or before the first day of
5 October, whereupon the Department shall proceed to administer
6 and enforce this Section as of the first day of January next
7 following such adoption and filing. Beginning April 1, 1998,
8 an ordinance or resolution imposing or discontinuing the tax
9 hereunder or effecting a change in the rate thereof shall
10 either (i) be adopted and a certified copy thereof filed with
11 the Department on or before the first day of April, whereupon
12 the Department shall proceed to administer and enforce this
13 Section as of the first day of July next following the adoption
14 and filing; or (ii) be adopted and a certified copy thereof
15 filed with the Department on or before the first day of
16 October, whereupon the Department shall proceed to administer
17 and enforce this Section as of the first day of January next
18 following the adoption and filing.

19 This Section shall be known and may be cited as the Home
20 Rule County Service Occupation Tax Law.

21 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

22 (55 ILCS 5/5-1030) (from Ch. 34, par. 5-1030)

23 Sec. 5-1030. Hotel rooms, tax on gross rental receipts.

24 (a) The corporate authorities of any county may by
25 ordinance impose a tax upon all persons engaged in such county

1 in the business of renting, leasing or letting rooms in a hotel
2 which is not located within a city, village, or incorporated
3 town that imposes a tax under Section 8-3-14 of the Illinois
4 Municipal Code, as defined in "The Hotel Operators' Occupation
5 Tax Act", at a rate not to exceed 5% of the gross rental
6 receipts from such renting, leasing or letting, excluding,
7 however, from gross rental receipts, the proceeds of such
8 renting, leasing or letting to permanent residents of that
9 hotel, and may provide for the administration and enforcement
10 of the tax, and for the collection thereof from the persons
11 subject to the tax, as the corporate authorities determine to
12 be necessary or practicable for the effective administration
13 of the tax. As provided in subsection (i) of Section 5-45 of
14 the Statewide Innovation Development and Economy Act, the
15 limitation on the rate of tax imposed under this subsection
16 does not apply to a tax imposed under this subsection by the
17 corporate authorities of a county on a business located within
18 a STAR bond district established by the corporate authorities
19 of the county under the Statewide Innovation Development and
20 Economy Act.

21 (b) With the consent of municipalities representing at
22 least 67% of the population of Winnebago County, as determined
23 by the 2010 federal decennial census and as expressed by
24 resolution of the corporate authorities of those
25 municipalities, the county board of Winnebago County may, by
26 ordinance, impose a tax upon all persons engaged in the county

1 in the business of renting, leasing, or letting rooms in a
2 hotel that imposes a tax under Section 8-3-14 of the Illinois
3 Municipal Code, as defined in the Hotel Operators' Occupation
4 Tax Act, at a rate not to exceed 2% of the gross rental
5 receipts from renting, leasing, or letting, excluding,
6 however, from gross rental receipts, the proceeds of the
7 renting, leasing, or letting to permanent residents of that
8 hotel, and may provide for the administration and enforcement
9 of the tax, and for the collection thereof from the persons
10 subject to the tax, as the county board determines to be
11 necessary or practicable for the effective administration of
12 the tax. As provided in subsection (i) of Section 5-45 of the
13 Statewide Innovation Development and Economy Act, the
14 limitation on the rate of tax imposed under this subsection
15 does not apply to a tax imposed under this subsection by the
16 corporate authorities of a county on a business located within
17 a STAR bond district established by the corporate authorities
18 of the county under the Statewide Innovation Development and
19 Economy Act. The tax shall be instituted on a county-wide
20 basis and shall be in addition to any tax imposed by this or
21 any other provision of law. The revenue generated under this
22 subsection shall be accounted for and segregated from all
23 other funds of the county and shall be utilized solely for
24 either: (1) encouraging, supporting, marketing, constructing,
25 or operating, either directly by the county or through other
26 taxing bodies within the county, sports, arts, or other

1 entertainment or tourism facilities or programs for the
2 purpose of promoting tourism, competitiveness, job growth, and
3 for the general health and well-being of the citizens of the
4 county; or (2) payment towards debt services on bonds issued
5 for the purposes set forth in this subsection.

6 (b-5) The county board of Sangamon County may, by
7 ordinance, impose a tax upon all persons engaged in the county
8 in the business of renting, leasing, or letting rooms in a
9 hotel that imposes a tax under Section 8-3-14 of the Illinois
10 Municipal Code, as defined in the Hotel Operators' Occupation
11 Tax Act, at a rate not to exceed 3% of the gross rental
12 receipts from renting, leasing, or letting, excluding,
13 however, from gross rental receipts, the proceeds of the
14 renting, leasing, or letting to permanent residents of that
15 hotel, and may provide for the administration and enforcement
16 of the tax, and for the collection thereof from the persons
17 subject to the tax, as the county board determines to be
18 necessary or practicable for the effective administration of
19 the tax. As provided in subsection (i) of Section 5-45 of the
20 Statewide Innovation Development and Economy Act, the
21 limitation on the rate of tax imposed under this subsection
22 does not apply to a tax imposed under this subsection by the
23 corporate authorities of a county on a business located within
24 a STAR bond district established by the corporate authorities
25 of the county under the Statewide Innovation Development and
26 Economy Act. The tax shall be instituted on a county-wide

1 basis and shall be in addition to any tax imposed by this or
2 any other provision of law. The revenue generated under this
3 subsection shall be accounted for and segregated from all
4 other funds of the county and shall be used solely for either:
5 (1) encouraging, supporting, marketing, constructing, or
6 operating, either directly by the county or through other
7 taxing bodies within the county, sports, arts, or other
8 entertainment or tourism facilities or programs for the
9 purpose of promoting tourism, competitiveness, job growth, and
10 for the general health and well-being of the citizens of the
11 county; ~~or~~ (2) payment towards debt services on bonds issued
12 for the purposes set forth in this subsection; or (3) the
13 purposes described in the Capital Area Tourism Authority Act.

14 (c) A Tourism Facility Board shall be established,
15 comprised of a representative from the county and from each
16 municipality that has approved the imposition of the tax under
17 subsection (b) of this Section.

18 (1) A Board member's vote is weighted based on the
19 municipality's population relative to the population of
20 the county, with the county representing the population
21 within unincorporated areas of the county. Representatives
22 from the Rockford Park District and Rockford Area
23 Convention and Visitors Bureau shall serve as ex-officio
24 members with no voting rights.

25 (2) The Board must meet not less frequently than once
26 per year to direct the use of revenues collected from the

1 tax imposed under subsection (b) of this Section that are
2 not already directed for use pursuant to an
3 intergovernmental agreement between the county and another
4 entity represented on the Board, including the ex-officio
5 members, and for any other reason the Board deems
6 necessary. Affirmative actions of the Board shall require
7 a weighted vote of Board members representing not less
8 than 67% of the population of the county.

9 (3) The Board shall not be a separate unit of local
10 government, shall have no paid staff, and members of the
11 Board shall receive no compensation or reimbursement of
12 expenses from proceeds of the tax imposed under subsection
13 (b) of this Section.

14 (d) Persons subject to any tax imposed pursuant to
15 authority granted by this Section may reimburse themselves for
16 their tax liability for such tax by separately stating such
17 tax as an additional charge, which charge may be stated in
18 combination, in a single amount, with State tax imposed under
19 "The Hotel Operators' Occupation Tax Act".

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

24 An ordinance or resolution imposing a tax hereunder or
25 effecting a change in the rate thereof shall be effective on
26 the first day of the calendar month next following its passage

1 and required publication.

2 The amounts collected by any county pursuant to this
3 Section shall be expended to promote tourism; conventions;
4 expositions; theatrical, sports and cultural activities within
5 that county or otherwise to attract nonresident overnight
6 visitors to the county.

7 Any county may agree with any unit of local government,
8 including any authority defined as a metropolitan exposition,
9 auditorium and office building authority, fair and exposition
10 authority, exposition and auditorium authority, or civic
11 center authority created pursuant to provisions of Illinois
12 law and the territory of which unit of local government or
13 authority is co-extensive with or wholly within such county,
14 to impose and collect for a period not to exceed 40 years, any
15 portion or all of the tax authorized pursuant to this Section
16 and to transmit such tax so collected to such unit of local
17 government or authority. The amount so paid shall be expended
18 by any such unit of local government or authority for the
19 purposes for which such tax is authorized. Any such agreement
20 must be authorized by resolution or ordinance, as the case may
21 be, of such county and unit of local government or authority,
22 and such agreement may provide for the irrevocable imposition
23 and collection of said tax at such rate, or amount as limited
24 by a given rate, as may be agreed upon for the full period of
25 time set forth in such agreement; and such agreement may
26 further provide for any other terms as deemed necessary or

1 advisable by such county and such unit of local government or
2 authority. Any such agreement shall be binding and enforceable
3 by either party to such agreement. Such agreement entered into
4 pursuant to this Section shall not in any event constitute an
5 indebtedness of such county subject to any limitation imposed
6 by statute or otherwise.

7 (Source: P.A. 103-781, eff. 8-5-24.)

8 Section 10-40. The Illinois Municipal Code is amended by
9 changing Sections 8-3-14a, 8-4-1, 8-11-1, 8-11-1.3, 8-11-1.4,
10 8-11-1.6, 8-11-1.7, 8-11-5, 8-11-23, 8-11-24, and 11-74.3-6 as
11 follows:

12 (65 ILCS 5/8-3-14a)

13 Sec. 8-3-14a. Municipal hotel use tax.

14 (a) The corporate authorities of any municipality may
15 impose a tax upon the privilege of renting or leasing rooms in
16 a hotel within the municipality at a rate not to exceed 5% of
17 the rental or lease payment. As provided in subsection (i) of
18 Section 5-45 of the Statewide Innovation Development and
19 Economy Act, the limitation on the rate of tax imposed under
20 this subsection does not apply to a tax imposed under this
21 subsection by the corporate authorities of a municipality on a
22 business located within a STAR bond district established by
23 the corporate authorities of the municipality under the
24 Statewide Innovation Development and Economy Act. The

1 corporate authorities may provide for the administration and
2 enforcement of the tax and for the collection thereof from the
3 persons subject to the tax, as the corporate authorities
4 determine to be necessary or practical for the effective
5 administration of the tax.

6 (b) Each hotel in the municipality shall collect the tax
7 from the person making the rental or lease payment at the time
8 that the payment is tendered to the hotel. The hotel shall, as
9 trustee, remit the tax to the municipality.

10 (c) The tax authorized under this Section does not apply
11 to any rental or lease payment by a permanent resident of that
12 hotel or to any payment made to any hotel that is subject to
13 the tax imposed under subsection (c) of Section 13 of the
14 Metropolitan Pier and Exposition Authority Act. A municipality
15 may not impose a tax under this Section if it imposes a tax
16 under Section 8-3-14. Nothing in this Section may be construed
17 to authorize a municipality to impose a tax upon the privilege
18 of engaging in any business that under the Constitution of the
19 United States may not be made the subject of taxation by this
20 State.

21 (d) Except as otherwise provided in this Division, the
22 moneys collected by a municipality under this Section may be
23 expended solely to promote tourism and conventions within that
24 municipality or otherwise to attract nonresident overnight
25 visitors to the municipality. No moneys received under this
26 Section may be used to advertise for or otherwise promote new

1 competition in the hotel business.

2 (e) As used in this Section, "hotel" has the meaning set
3 forth in Section 2 of the Hotel Operators' Occupation Tax Act.
4 (Source: P.A. 101-204, eff. 8-2-19.)

5 (65 ILCS 5/8-4-1) (from Ch. 24, par. 8-4-1)

6 Sec. 8-4-1. No bonds shall be issued by the corporate
7 authorities of any municipality until the question of
8 authorizing such bonds has been submitted to the electors of
9 that municipality provided that notice of the bond referendum,
10 if held before July 1, 1999, has been given in accordance with
11 the provisions of Section 12-5 of the Election Code in effect
12 at the time of the bond referendum, at least 10 and not more
13 than 45 days before the date of the election, notwithstanding
14 the time for publication otherwise imposed by Section 12-5,
15 and approved by a majority of the electors voting upon that
16 question. Notices required in connection with the submission
17 of public questions on or after July 1, 1999 shall be as set
18 forth in Section 12-5 of the Election Code. The clerk shall
19 certify the proposition of the corporate authorities to the
20 proper election authority who shall submit the question at an
21 election in accordance with the general election law, subject
22 to the notice provisions set forth in this Section.

23 Notice of any such election shall contain the amount of
24 the bond issue, purpose for which issued, and maximum rate of
25 interest.

1 In addition to all other authority to issue bonds, the
2 Village of Indian Head Park is authorized to issue bonds for
3 the purpose of paying the costs of making roadway improvements
4 in an amount not to exceed the aggregate principal amount of
5 \$2,500,000, provided that 60% of the votes cast at the general
6 primary election held on March 18, 2014 are cast in favor of
7 the issuance of the bonds, and the bonds are issued by December
8 31, 2014.

9 However, without the submission of the question of issuing
10 bonds to the electors, the corporate authorities of any
11 municipality may authorize the issuance of any of the
12 following bonds:

13 (1) Bonds to refund any existing bonded indebtedness;

14 (2) Bonds to fund or refund any existing judgment
15 indebtedness;

16 (3) In any municipality of less than 500,000
17 population, bonds to anticipate the collection of
18 installments of special assessments and special taxes
19 against property owned by the municipality and to
20 anticipate the collection of the amount apportioned to the
21 municipality as public benefits under Article 9;

22 (4) Bonds issued by any municipality under Sections
23 8-4-15 through 8-4-23, 11-23-1 through 11-23-12, 11-26-1
24 through 11-26-6, 11-71-1 through 11-71-10, 11-74.3-1
25 through 11-74.3-7, 11-74.4-1 through 11-74.4-11, 11-74.5-1
26 through 11-74.5-15, 11-94-1 through 11-94-7, 11-102-1

1 through 11-102-10, 11-103-11 through 11-103-15, 11-118-1
2 through 11-118-6, 11-119-1 through 11-119-5, 11-129-1
3 through 11-129-7, 11-133-1 through 11-133-4, 11-139-1
4 through 11-139-12, 11-141-1 through 11-141-18 of this
5 Code, or 10-801 through 10-808 of the Illinois Highway
6 Code;

7 (5) Bonds issued by the board of education of any
8 school district under the provisions of Sections 34-30
9 through 34-36 of the School Code;

10 (6) Bonds issued by any municipality under the
11 provisions of Division 6 of this Article 8; and by any
12 municipality under the provisions of Division 7 of this
13 Article 8; or under the provisions of Sections 11-121-4
14 and 11-121-5;

15 (7) Bonds to pay for the purchase of voting machines
16 by any municipality that has adopted Article 24 of the
17 Election Code;

18 (8) Bonds issued by any municipality under Sections 15
19 and 46 of the Environmental Protection Act;

20 (9) Bonds issued by the corporate authorities of any
21 municipality under the provisions of Section 8-4-25 of
22 this Article 8;

23 (10) Bonds issued under Section 8-4-26 of this Article
24 8 by any municipality having a board of election
25 commissioners;

26 (11) Bonds issued under the provisions of the Special

1 Service Area Tax Act (repealed);

2 (12) Bonds issued under Section 8-5-16 of this Code;

3 (13) Bonds to finance the cost of the acquisition,
4 construction, or improvement of water or wastewater
5 treatment facilities mandated by an enforceable compliance
6 schedule developed in connection with the federal Clean
7 Water Act or a compliance order issued by the United
8 States Environmental Protection Agency or the Illinois
9 Pollution Control Board; provided that such bonds are
10 authorized by an ordinance adopted by a three-fifths
11 majority of the corporate authorities of the municipality
12 issuing the bonds which ordinance shall specify that the
13 construction or improvement of such facilities is
14 necessary to alleviate an emergency condition in such
15 municipality;

16 (14) Bonds issued by any municipality pursuant to
17 Section 11-113.1-1;

18 (15) Bonds issued under Sections 11-74.6-1 through
19 11-74.6-45, the Industrial Jobs Recovery Law of this Code;

20 (16) Bonds issued under the Innovation Development and
21 Economy Act, except as may be required by Section 35 of
22 that Act.

23 (17) Bonds issued under the Statewide Innovation
24 Development and Economy Act, except as may be required by
25 Section 5-60 of that Act.

26 (Source: P.A. 102-587, eff. 1-1-22; 103-605, eff. 7-1-24.)

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

2 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax
3 Act. The corporate authorities of a home rule municipality may
4 impose a tax upon all persons engaged in the business of
5 selling tangible personal property, other than an item of
6 tangible personal property titled or registered with an agency
7 of this State's government, at retail in the municipality on
8 the gross receipts from these sales made in the course of such
9 business. If imposed, the tax shall only be imposed in 1/4%
10 increments. On and after September 1, 1991, this additional
11 tax may not be imposed on tangible personal property taxed at
12 the 1% rate under the Retailers' Occupation Tax Act (or at the
13 0% rate imposed under this amendatory Act of the 102nd General
14 Assembly). Beginning December 1, 2019, this tax is not imposed
15 on sales of aviation fuel unless the tax revenue is expended
16 for airport-related purposes. If a municipality does not have
17 an airport-related purpose to which it dedicates aviation fuel
18 tax revenue, then aviation fuel is excluded from the tax. Each
19 municipality must comply with the certification requirements
20 for airport-related purposes under Section 2-22 of the
21 Retailers' Occupation Tax Act. For purposes of this Section,
22 "airport-related purposes" has the meaning ascribed in Section
23 6z-20.2 of the State Finance Act. This exclusion for aviation
24 fuel only applies for so long as the revenue use requirements
25 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the

1 municipality. The changes made to this Section by this
2 amendatory Act of the 101st General Assembly are a denial and
3 limitation of home rule powers and functions under subsection
4 (g) of Section 6 of Article VII of the Illinois Constitution.
5 The tax imposed by a home rule municipality under this Section
6 and all civil penalties that may be assessed as an incident of
7 the tax shall be collected and enforced by the State
8 Department of Revenue. The certificate of registration that is
9 issued by the Department to a retailer under the Retailers'
10 Occupation Tax Act shall permit the retailer to engage in a
11 business that is taxable under any ordinance or resolution
12 enacted pursuant to this Section without registering
13 separately with the Department under such ordinance or
14 resolution or under this Section. The Department shall have
15 full power to administer and enforce this Section; to collect
16 all taxes and penalties due hereunder; to dispose of taxes and
17 penalties so collected in the manner hereinafter provided; and
18 to determine all rights to credit memoranda arising on account
19 of the erroneous payment of tax or penalty hereunder. In the
20 administration of, and compliance with, this Section the
21 Department and persons who are subject to this Section shall
22 have the same rights, remedies, privileges, immunities, powers
23 and duties, and be subject to the same conditions,
24 restrictions, limitations, penalties and definitions of terms,
25 and employ the same modes of procedure, as are prescribed in
26 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65

1 (in respect to all provisions therein other than the State
2 rate of tax), 2c, 3 (except as to the disposition of taxes and
3 penalties collected, and except that the retailer's discount
4 is not allowed for taxes paid on aviation fuel that are subject
5 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
6 U.S.C. 47133), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,
7 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of the
8 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
9 Penalty and Interest Act, as fully as if those provisions were
10 set forth herein.

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

14 If, on January 1, 2025, a unit of local government has in
15 effect a tax under this Section, or if, after January 1, 2025,
16 a unit of local government imposes a tax under this Section,
17 then that tax applies to leases of tangible personal property
18 in effect, entered into, or renewed on or after that date in
19 the same manner as the tax under this Section and in accordance
20 with the changes made by this amendatory Act of the 103rd
21 General Assembly.

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

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

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

12 Except as otherwise provided in this paragraph, the
13 Department shall immediately pay over to the State Treasurer,
14 ex officio, as trustee, all taxes and penalties collected
15 hereunder for deposit into the Home Rule Municipal Retailers'
16 Occupation Tax Fund. Taxes and penalties collected on aviation
17 fuel sold on or after December 1, 2019, shall be immediately
18 paid over by the Department to the State Treasurer, ex
19 officio, as trustee, for deposit into the Local Government
20 Aviation Trust Fund. The Department shall only pay moneys into
21 the Local Government Aviation Trust Fund under this Section
22 for so long as the revenue use requirements of 49 U.S.C.
23 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

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

6 As soon as possible after the first day of each month,
7 beginning July 1, 2026, upon certification of the Department
8 of Revenue, the Comptroller shall order transferred, and the
9 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
10 local sales tax increment, as defined in the Statewide
11 Innovation Development and Economy Act, collected under this
12 Section during the second preceding calendar month for sales
13 within a STAR bond district.

14 After the monthly transfers ~~transfer~~ to the STAR Bonds
15 Revenue Fund, on or before the 25th day of each calendar month,
16 the Department shall prepare and certify to the Comptroller
17 the disbursement of stated sums of money to named
18 municipalities, the municipalities to be those from which
19 retailers have paid taxes or penalties hereunder to the
20 Department during the second preceding calendar month. The
21 amount to be paid to each municipality shall be the amount (not
22 including credit memoranda and not including taxes and
23 penalties collected on aviation fuel sold on or after December
24 1, 2019) collected hereunder during the second preceding
25 calendar month by the Department plus an amount the Department
26 determines is necessary to offset any amounts that were

1 erroneously paid to a different taxing body, and not including
2 an amount equal to the amount of refunds made during the second
3 preceding calendar month by the Department on behalf of such
4 municipality, and not including any amount that the Department
5 determines is necessary to offset any amounts that were
6 payable to a different taxing body but were erroneously paid
7 to the municipality, and not including any amounts that are
8 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
9 remainder, which the Department shall transfer into the Tax
10 Compliance and Administration Fund. The Department, at the
11 time of each monthly disbursement to the municipalities, shall
12 prepare and certify to the State Comptroller the amount to be
13 transferred into the Tax Compliance and Administration Fund
14 under this Section. Within 10 days after receipt by the
15 Comptroller of the disbursement certification to the
16 municipalities and the Tax Compliance and Administration Fund
17 provided for in this Section to be given to the Comptroller by
18 the Department, the Comptroller shall cause the orders to be
19 drawn for the respective amounts in accordance with the
20 directions contained in the certification.

21 In addition to the disbursement required by the preceding
22 paragraph and in order to mitigate delays caused by
23 distribution procedures, an allocation shall, if requested, be
24 made within 10 days after January 14, 1991, and in November of
25 1991 and each year thereafter, to each municipality that
26 received more than \$500,000 during the preceding fiscal year,

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

1 preceding period of July 1 through June 30. The Department
2 shall prepare and certify to the Comptroller for disbursement
3 the allocations made in accordance with this paragraph.

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

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

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

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

1 and enforce this Section as of the first day of January next
2 following the adoption and filing.

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

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

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

26 This Section shall be known and may be cited as the Home

1 Rule Municipal Retailers' Occupation Tax Act.

2 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

3 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

4 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
5 Occupation Tax Act. The corporate authorities of a non-home
6 rule municipality may impose, by ordinance or resolution
7 adopted in the manner described in Section 8-11-1.1, a tax
8 upon all persons engaged in the business of selling tangible
9 personal property, other than on an item of tangible personal
10 property which is titled and registered by an agency of this
11 State's Government, at retail in the municipality. If imposed,
12 the tax shall be imposed on the gross receipts from such sales
13 made in the course of such business. The proceeds of the tax
14 may be used for public infrastructure or for property tax
15 relief or both, as defined in Section 8-11-1.2. If the tax is
16 approved by referendum on or after July 14, 2010 (the
17 effective date of Public Act 96-1057) and before August 5,
18 2024 (the effective date of Public Act 103-781), the corporate
19 authorities of the non-home rule municipality may, until
20 January 1, 2031, use the proceeds of the tax for expenditure on
21 municipal operations, in addition to or in lieu of any
22 expenditure on public infrastructure or for property tax
23 relief. If the tax is approved by an ordinance or resolution
24 adopted on or after August 5, 2024 (the effective date of
25 Public Act 103-781), the corporate authorities of the non-home

1 rule municipality may, until January 1, 2031, use the proceeds
2 of the tax for expenditure on municipal operations, in
3 addition to or in lieu of any expenditure on public
4 infrastructure or for property tax relief. The tax imposed may
5 not be more than 1% and may be imposed only in 1/4% increments.
6 The tax may not be imposed on tangible personal property taxed
7 at the 1% rate under the Retailers' Occupation Tax Act (or at
8 the 0% rate imposed under this amendatory Act of the 102nd
9 General Assembly). Beginning December 1, 2019, this tax is not
10 imposed on sales of aviation fuel unless the tax revenue is
11 expended for airport-related purposes. If a municipality does
12 not have an airport-related purpose to which it dedicates
13 aviation fuel tax revenue, then aviation fuel is excluded from
14 the tax. Each municipality must comply with the certification
15 requirements for airport-related purposes under Section 2-22
16 of the Retailers' Occupation Tax Act. For purposes of this
17 Section, "airport-related purposes" has the meaning ascribed
18 in Section 6z-20.2 of the State Finance Act. This exclusion
19 for aviation fuel only applies for so long as the revenue use
20 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
21 binding on the municipality. The tax imposed by a municipality
22 pursuant to this Section and all civil penalties that may be
23 assessed as an incident thereof shall be collected and
24 enforced by the State Department of Revenue. The certificate
25 of registration which is issued by the Department to a
26 retailer under the Retailers' Occupation Tax Act shall permit

1 such retailer to engage in a business which is taxable under
2 any ordinance or resolution enacted pursuant to this Section
3 without registering separately with the Department under such
4 ordinance or resolution or under this Section. The Department
5 shall have full power to administer and enforce this Section;
6 to collect all taxes and penalties due hereunder; to dispose
7 of taxes and penalties so collected in the manner hereinafter
8 provided, and to determine all rights to credit memoranda,
9 arising on account of the erroneous payment of tax or penalty
10 hereunder. In the administration of, and compliance with, this
11 Section, the Department and persons who are subject to this
12 Section shall have the same rights, remedies, privileges,
13 immunities, powers and duties, and be subject to the same
14 conditions, restrictions, limitations, penalties and
15 definitions of terms, and employ the same modes of procedure,
16 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,
17 2 through 2-65 (in respect to all provisions therein other
18 than the State rate of tax), 2c, 3 (except as to the
19 disposition of taxes and penalties collected, and except that
20 the retailer's discount is not allowed for taxes paid on
21 aviation fuel that are subject to the revenue use requirements
22 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
23 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
24 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
25 Section 3-7 of the Uniform Penalty and Interest Act as fully as
26 if those provisions were set forth herein.

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

4 If, on January 1, 2025, a unit of local government has in
5 effect a tax under this Section, or if, after January 1, 2025,
6 a unit of local government imposes a tax under this Section,
7 then that tax applies to leases of tangible personal property
8 in effect, entered into, or renewed on or after that date in
9 the same manner as the tax under this Section and in accordance
10 with the changes made by this amendatory Act of the 103rd
11 General Assembly.

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

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

1 Aviation Trust Fund, as appropriate.

2 Except as otherwise provided, the Department shall
3 forthwith pay over to the State Treasurer, ex officio, as
4 trustee, all taxes and penalties collected hereunder for
5 deposit into the Non-Home Rule Municipal Retailers' Occupation
6 Tax Fund. Taxes and penalties collected on aviation fuel sold
7 on or after December 1, 2019, shall be immediately paid over by
8 the Department to the State Treasurer, ex officio, as trustee,
9 for deposit into the Local Government Aviation Trust Fund. The
10 Department shall only pay moneys into the Local Government
11 Aviation Trust Fund under this Section for so long as the
12 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
13 47133 are binding on the municipality.

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

22 As soon as possible after the first day of each month,
23 beginning July 1, 2026, upon certification of the Department
24 of Revenue, the Comptroller shall order transferred, and the
25 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
26 local sales tax increment, as defined in the Statewide

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

4 After the monthly transfers ~~transfer~~ to the STAR Bonds
5 Revenue Fund, on or before the 25th day of each calendar month,
6 the Department shall prepare and certify to the Comptroller
7 the disbursement of stated sums of money to named
8 municipalities, the municipalities to be those from which
9 retailers have paid taxes or penalties hereunder to the
10 Department during the second preceding calendar month. The
11 amount to be paid to each municipality shall be the amount (not
12 including credit memoranda and not including taxes and
13 penalties collected on aviation fuel sold on or after December
14 1, 2019) collected hereunder during the second preceding
15 calendar month by the Department plus an amount the Department
16 determines is necessary to offset any amounts which were
17 erroneously paid to a different taxing body, and not including
18 an amount equal to the amount of refunds made during the second
19 preceding calendar month by the Department on behalf of such
20 municipality, and not including any amount which the
21 Department determines is necessary to offset any amounts which
22 were payable to a different taxing body but were erroneously
23 paid to the municipality, and not including any amounts that
24 are transferred to the STAR Bonds Revenue Fund, less 1.5% of
25 the remainder, which the Department shall transfer into the
26 Tax Compliance and Administration Fund. The Department, at the

1 time of each monthly disbursement to the municipalities, shall
2 prepare and certify to the State Comptroller the amount to be
3 transferred into the Tax Compliance and Administration Fund
4 under this Section. Within 10 days after receipt, by the
5 Comptroller, of the disbursement certification to the
6 municipalities and the Tax Compliance and Administration Fund
7 provided for in this Section to be given to the Comptroller by
8 the Department, the Comptroller shall cause the orders to be
9 drawn for the respective amounts in accordance with the
10 directions contained in such certification.

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

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

24 When certifying the amount of a monthly disbursement to a
25 municipality under this Section, the Department shall increase
26 or decrease such amount by an amount necessary to offset any

1 misallocation of previous disbursements. The offset amount
2 shall be the amount erroneously disbursed within the previous
3 6 months from the time a misallocation is discovered.

4 The Department of Revenue shall implement Public Act
5 91-649 so as to collect the tax on and after January 1, 2002.

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

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

11 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25;
12 103-1055, eff. 12-20-24.)

13 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

14 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
15 Tax Act. The corporate authorities of a non-home rule
16 municipality may impose, by ordinance or resolution adopted in
17 the manner described in Section 8-11-1.1, a tax upon all
18 persons engaged in the municipality in the business of making
19 sales of service. If imposed, the tax shall be imposed on the
20 selling price of all tangible personal property transferred by
21 such servicemen, either in the form of tangible personal
22 property or in the form of real estate, as an incident to a
23 sale of service. The proceeds of the tax may be used for public
24 infrastructure or for property tax relief or both, as defined
25 in Section 8-11-1.2. If the tax is approved by referendum on or

1 after July 14, 2010 (the effective date of Public Act 96-1057)
2 and before August 5, 2024 (the effective date of Public Act
3 103-781), the corporate authorities of a non-home rule
4 municipality may, until January 1, 2031, use the proceeds of
5 the tax for expenditure on municipal operations, in addition
6 to or in lieu of any expenditure on public infrastructure or
7 for property tax relief. If the tax is approved by an ordinance
8 or resolution adopted on or after August 5, 2024 (the
9 effective date of Public Act 103-781), the corporate
10 authorities of the non-home rule municipality may, until
11 January 1, 2031, use the proceeds of the tax for expenditure on
12 municipal operations, in addition to or in lieu of any
13 expenditure on public infrastructure or for property tax
14 relief. The tax imposed may not be more than 1% and may be
15 imposed only in 1/4% increments. The tax may not be imposed on
16 tangible personal property taxed at the 1% rate under the
17 Service Occupation Tax Act (or at the 0% rate imposed under
18 this amendatory Act of the 102nd General Assembly). Beginning
19 December 1, 2019, this tax is not imposed on sales of aviation
20 fuel unless the tax revenue is expended for airport-related
21 purposes. If a municipality does not have an airport-related
22 purpose to which it dedicates aviation fuel tax revenue, then
23 aviation fuel is excluded from the tax. Each municipality must
24 comply with the certification requirements for airport-related
25 purposes under Section 2-22 of the Retailers' Occupation Tax
26 Act. For purposes of this Section, "airport-related purposes"

1 has the meaning ascribed in Section 6z-20.2 of the State
2 Finance Act. This exclusion for aviation fuel only applies for
3 so long as the revenue use requirements of 49 U.S.C. 47107(b)
4 and 49 U.S.C. 47133 are binding on the municipality. The tax
5 imposed by a municipality pursuant to this Section and all
6 civil penalties that may be assessed as an incident thereof
7 shall be collected and enforced by the State Department of
8 Revenue. The certificate of registration which is issued by
9 the Department to a retailer under the Retailers' Occupation
10 Tax Act or under the Service Occupation Tax Act shall permit
11 such registrant to engage in a business which is taxable under
12 any ordinance or resolution enacted pursuant to this Section
13 without registering separately with the Department under such
14 ordinance or resolution or under this Section. The Department
15 shall have full power to administer and enforce this Section;
16 to collect all taxes and penalties due hereunder; to dispose
17 of taxes and penalties so collected in the manner hereinafter
18 provided, and to determine all rights to credit memoranda
19 arising on account of the erroneous payment of tax or penalty
20 hereunder. In the administration of, and compliance with, this
21 Section the Department and persons who are subject to this
22 Section shall have the same rights, remedies, privileges,
23 immunities, powers and duties, and be subject to the same
24 conditions, restrictions, limitations, penalties and
25 definitions of terms, and employ the same modes of procedure,
26 as are prescribed in Sections 1a-1, 2, 2a, 3 through 3-50 (in

1 respect to all provisions therein other than the State rate of
2 tax), 4 (except that the reference to the State shall be to the
3 taxing municipality), 5, 7, 8 (except that the jurisdiction to
4 which the tax shall be a debt to the extent indicated in that
5 Section 8 shall be the taxing municipality), 9 (except as to
6 the disposition of taxes and penalties collected, and except
7 that the returned merchandise credit for this municipal tax
8 may not be taken against any State tax, and except that the
9 retailer's discount is not allowed for taxes paid on aviation
10 fuel that are subject to the revenue use requirements of 49
11 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except the
12 reference therein to Section 2b of the Retailers' Occupation
13 Tax Act), 13 (except that any reference to the State shall mean
14 the taxing municipality), the first paragraph of Section 15,
15 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and
16 Section 3-7 of the Uniform Penalty and Interest Act, as fully
17 as if those provisions were set forth herein.

18 No municipality may impose a tax under this Section unless
19 the municipality also imposes a tax at the same rate under
20 Section 8-11-1.3 of this Code.

21 If, on January 1, 2025, a unit of local government has in
22 effect a tax under this Section, or if, after January 1, 2025,
23 a unit of local government imposes a tax under this Section,
24 then that tax applies to leases of tangible personal property
25 in effect, entered into, or renewed on or after that date in
26 the same manner as the tax under this Section and in accordance

1 with the changes made by this amendatory Act of the 103rd
2 General Assembly.

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

11 Whenever the Department determines that a refund should be
12 made under this Section to a claimant instead of issuing
13 credit memorandum, the Department shall notify the State
14 Comptroller, who shall cause the order to be drawn for the
15 amount specified, and to the person named, in such
16 notification from the Department. Such refund shall be paid by
17 the State Treasurer out of the municipal retailers' occupation
18 tax fund or the Local Government Aviation Trust Fund, as
19 appropriate.

20 Except as otherwise provided in this paragraph, the
21 Department shall forthwith pay over to the State Treasurer, ex
22 officio, as trustee, all taxes and penalties collected
23 hereunder for deposit into the municipal retailers' occupation
24 tax fund. Taxes and penalties collected on aviation fuel sold
25 on or after December 1, 2019, shall be immediately paid over by
26 the Department to the State Treasurer, ex officio, as trustee,

1 for deposit into the Local Government Aviation Trust Fund. The
2 Department shall only pay moneys into the Local Government
3 Aviation Trust Fund under this Section for so long as the
4 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
5 47133 are binding on the municipality.

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

14 As soon as possible after the first day of each month,
15 beginning July 1, 2026, upon certification of the Department
16 of Revenue, the Comptroller shall order transferred, and the
17 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
18 local sales tax increment, as defined in the Statewide
19 Innovation Development and Economy Act, collected under this
20 Section during the second preceding calendar month for sales
21 within a STAR bond district.

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

1 suppliers and servicemen have paid taxes or penalties
2 hereunder to the Department during the second preceding
3 calendar month. The amount to be paid to each municipality
4 shall be the amount (not including credit memoranda and not
5 including taxes and penalties collected on aviation fuel sold
6 on or after December 1, 2019) collected hereunder during the
7 second preceding calendar month by the Department, and not
8 including an amount equal to the amount of refunds made during
9 the second preceding calendar month by the Department on
10 behalf of such municipality, and not including any amounts
11 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
12 of the remainder, which the Department shall transfer into the
13 Tax Compliance and Administration Fund. The Department, at the
14 time of each monthly disbursement to the municipalities, shall
15 prepare and certify to the State Comptroller the amount to be
16 transferred into the Tax Compliance and Administration Fund
17 under this Section. Within 10 days after receipt, by the
18 Comptroller, of the disbursement certification to the
19 municipalities, the General Revenue Fund, and the Tax
20 Compliance and Administration Fund provided for in this
21 Section to be given to the Comptroller by the Department, the
22 Comptroller shall cause the orders to be drawn for the
23 respective amounts in accordance with the directions contained
24 in such certification.

25 The Department of Revenue shall implement Public Act
26 91-649 so as to collect the tax on and after January 1, 2002.

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

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

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

11 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
12 103-592, eff. 1-1-25; 103-1055, eff. 12-20-24.)

13 (65 ILCS 5/8-11-1.6)

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

1 an item of tangible personal property that is titled and
2 registered by an agency of this State's Government, at retail
3 in the municipality. This tax may not be imposed on tangible
4 personal property taxed at the 1% rate under the Retailers'
5 Occupation Tax Act (or at the 0% rate imposed under this
6 amendatory Act of the 102nd General Assembly). Beginning
7 December 1, 2019, this tax is not imposed on sales of aviation
8 fuel unless the tax revenue is expended for airport-related
9 purposes. If a municipality does not have an airport-related
10 purpose to which it dedicates aviation fuel tax revenue, then
11 aviation fuel is excluded from the tax. Each municipality must
12 comply with the certification requirements for airport-related
13 purposes under Section 2-22 of the Retailers' Occupation Tax
14 Act. For purposes of this Section, "airport-related purposes"
15 has the meaning ascribed in Section 6z-20.2 of the State
16 Finance Act. This exclusion for aviation fuel only applies for
17 so long as the revenue use requirements of 49 U.S.C. 47107(b)
18 and 49 U.S.C. 47133 are binding on the municipality. If
19 imposed, the tax shall only be imposed in .25% increments of
20 the gross receipts from such sales made in the course of
21 business. Any tax imposed by a municipality under this Section
22 and all civil penalties that may be assessed as an incident
23 thereof shall be collected and enforced by the State
24 Department of Revenue. An ordinance imposing a tax hereunder
25 or effecting a change in the rate thereof shall be adopted and
26 a certified copy thereof filed with the Department on or

1 before the first day of October, whereupon the Department
2 shall proceed to administer and enforce this Section as of the
3 first day of January next following such adoption and filing.
4 The certificate of registration that is issued by the
5 Department to a retailer under the Retailers' Occupation Tax
6 Act shall permit the retailer to engage in a business that is
7 taxable under any ordinance or resolution enacted under this
8 Section without registering separately with the Department
9 under the ordinance or resolution or under this Section. The
10 Department shall have full power to administer and enforce
11 this Section, to collect all taxes and penalties due
12 hereunder, to dispose of taxes and penalties so collected in
13 the manner hereinafter provided, and to determine all rights
14 to credit memoranda, arising on account of the erroneous
15 payment of tax or penalty hereunder. In the administration of,
16 and compliance with this Section, the Department and persons
17 who are subject to this Section shall have the same rights,
18 remedies, privileges, immunities, powers, and duties, and be
19 subject to the same conditions, restrictions, limitations,
20 penalties, and definitions of terms, and employ the same modes
21 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,
22 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions
23 therein other than the State rate of tax), 2c, 3 (except as to
24 the disposition of taxes and penalties collected, and except
25 that the retailer's discount is not allowed for taxes paid on
26 aviation fuel that are subject to the revenue use requirements

1 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5, 5a, 5b, 5c,
2 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,
3 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and
4 Section 3-7 of the Uniform Penalty and Interest Act as fully as
5 if those provisions were set forth herein.

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

9 If, on January 1, 2025, a unit of local government has in
10 effect a tax under this Section, or if, after January 1, 2025,
11 a unit of local government imposes a tax under this Section,
12 then that tax applies to leases of tangible personal property
13 in effect, entered into, or renewed on or after that date in
14 the same manner as the tax under this Section and in accordance
15 with the changes made by this amendatory Act of the 103rd
16 General Assembly.

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

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

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified, and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Non-Home Rule Municipal Retailers'
5 Occupation Tax Fund, which is hereby created or the Local
6 Government Aviation Trust Fund, as appropriate.

7 Except as otherwise provided in this paragraph, the
8 Department shall forthwith pay over to the State Treasurer, ex
9 officio, as trustee, all taxes and penalties collected
10 hereunder for deposit into the Non-Home Rule Municipal
11 Retailers' Occupation Tax Fund. Taxes and penalties collected
12 on aviation fuel sold on or after December 1, 2019, shall be
13 immediately paid over by the Department to the State
14 Treasurer, ex officio, as trustee, for deposit into the Local
15 Government Aviation Trust Fund. The Department shall only pay
16 moneys into the Local Government Aviation Trust Fund under
17 this Section for so long as the revenue use requirements of 49
18 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
19 municipality.

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

1 sales within a STAR bond district.

2 As soon as possible after the first day of each month,
3 beginning July 1, 2026, upon certification of the Department
4 of Revenue, the Comptroller shall order transferred, and the
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
6 local sales tax increment, as defined in the Statewide
7 Innovation Development and Economy Act, collected under this
8 Section during the second preceding calendar month for sales
9 within a STAR bond district.

10 After the monthly transfers ~~transfer~~ to the STAR Bonds
11 Revenue Fund, on or before the 25th day of each calendar month,
12 the Department shall prepare and certify to the Comptroller
13 the disbursement of stated sums of money to named
14 municipalities, the municipalities to be those from which
15 retailers have paid taxes or penalties hereunder to the
16 Department during the second preceding calendar month. The
17 amount to be paid to each municipality shall be the amount (not
18 including credit memoranda and not including taxes and
19 penalties collected on aviation fuel sold on or after December
20 1, 2019) collected hereunder during the second preceding
21 calendar month by the Department plus an amount the Department
22 determines is necessary to offset any amounts that were
23 erroneously paid to a different taxing body, and not including
24 an amount equal to the amount of refunds made during the second
25 preceding calendar month by the Department on behalf of the
26 municipality, and not including any amount that the Department

1 determines is necessary to offset any amounts that were
2 payable to a different taxing body but were erroneously paid
3 to the municipality, and not including any amounts that are
4 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
5 remainder, which the Department shall transfer into the Tax
6 Compliance and Administration Fund. The Department, at the
7 time of each monthly disbursement to the municipalities, shall
8 prepare and certify to the State Comptroller the amount to be
9 transferred into the Tax Compliance and Administration Fund
10 under this Section. Within 10 days after receipt by the
11 Comptroller of the disbursement certification to the
12 municipalities and the Tax Compliance and Administration Fund
13 provided for in this Section to be given to the Comptroller by
14 the Department, the Comptroller shall cause the orders to be
15 drawn for the respective amounts in accordance with the
16 directions contained in the certification.

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

26 Nothing in this Section shall be construed to authorize a

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

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

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

13 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

14 (65 ILCS 5/8-11-1.7)

15 Sec. 8-11-1.7. Non-home rule municipal service occupation
16 tax; municipalities between 20,000 and 25,000. The corporate
17 authorities of a non-home rule municipality with a population
18 of more than 20,000 but less than 25,000 as determined by the
19 last preceding decennial census that has, prior to January 1,
20 1987, established a Redevelopment Project Area that has been
21 certified as a State Sales Tax Boundary and has issued bonds or
22 otherwise incurred indebtedness to pay for costs in excess of
23 \$5,000,000, which is secured in part by a tax increment
24 allocation fund, in accordance with the provisions of Division
25 11-74.4 of this Code may, by passage of an ordinance, impose a

1 tax upon all persons engaged in the municipality in the
2 business of making sales of service. If imposed, the tax shall
3 only be imposed in .25% increments of the selling price of all
4 tangible personal property transferred by such servicemen
5 either in the form of tangible personal property or in the form
6 of real estate as an incident to a sale of service. This tax
7 may not be imposed on tangible personal property taxed at the
8 1% rate under the Service Occupation Tax Act (or at the 0% rate
9 imposed under this amendatory Act of the 102nd General
10 Assembly). Beginning December 1, 2019, this tax is not imposed
11 on sales of aviation fuel unless the tax revenue is expended
12 for airport-related purposes. If a municipality does not have
13 an airport-related purpose to which it dedicates aviation fuel
14 tax revenue, then aviation fuel is excluded from the tax. Each
15 municipality must comply with the certification requirements
16 for airport-related purposes under Section 2-22 of the
17 Retailers' Occupation Tax Act. For purposes of this Section,
18 "airport-related purposes" has the meaning ascribed in Section
19 6z-20.2 of the State Finance Act. This exclusion for aviation
20 fuel only applies for so long as the revenue use requirements
21 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
22 municipality. The tax imposed by a municipality under this
23 Section and all civil penalties that may be assessed as an
24 incident thereof shall be collected and enforced by the State
25 Department of Revenue. An ordinance imposing a tax hereunder
26 or effecting a change in the rate thereof shall be adopted and

1 a certified copy thereof filed with the Department on or
2 before the first day of October, whereupon the Department
3 shall proceed to administer and enforce this Section as of the
4 first day of January next following such adoption and filing.
5 The certificate of registration that is issued by the
6 Department to a retailer under the Retailers' Occupation Tax
7 Act or under the Service Occupation Tax Act shall permit the
8 registrant to engage in a business that is taxable under any
9 ordinance or resolution enacted under this Section without
10 registering separately with the Department under the ordinance
11 or resolution or under this Section. The Department shall have
12 full power to administer and enforce this Section, to collect
13 all taxes and penalties due hereunder, to dispose of taxes and
14 penalties so collected in a manner hereinafter provided, and
15 to determine all rights to credit memoranda arising on account
16 of the erroneous payment of tax or penalty hereunder. In the
17 administration of and compliance with this Section, the
18 Department and persons who are subject to this Section shall
19 have the same rights, remedies, privileges, immunities,
20 powers, and duties, and be subject to the same conditions,
21 restrictions, limitations, penalties and definitions of terms,
22 and employ the same modes of procedure, as are prescribed in
23 Sections 1a-1, 2, 2a, 3 through 3-50 (in respect to all
24 provisions therein other than the State rate of tax), 4
25 (except that the reference to the State shall be to the taxing
26 municipality), 5, 7, 8 (except that the jurisdiction to which

1 the tax shall be a debt to the extent indicated in that Section
2 8 shall be the taxing municipality), 9 (except as to the
3 disposition of taxes and penalties collected, and except that
4 the returned merchandise credit for this municipal tax may not
5 be taken against any State tax, and except that the retailer's
6 discount is not allowed for taxes paid on aviation fuel that
7 are subject to the revenue use requirements of 49 U.S.C.
8 47107(b) and 49 U.S.C. 47133), 10, 11, 12, (except the
9 reference therein to Section 2b of the Retailers' Occupation
10 Tax Act), 13 (except that any reference to the State shall mean
11 the taxing municipality), the first paragraph of Sections 15,
12 16, 17, 18, 19, and 20 of the Service Occupation Tax Act and
13 Section 3-7 of the Uniform Penalty and Interest Act, as fully
14 as if those provisions were set forth herein.

15 A tax may not be imposed by a municipality under this
16 Section unless the municipality also imposes a tax at the same
17 rate under Section 8-11-1.6 of this Act.

18 If, on January 1, 2025, a unit of local government has in
19 effect a tax under this Section, or if, after January 1, 2025,
20 a unit of local government imposes a tax under this Section,
21 then that tax applies to leases of tangible personal property
22 in effect, entered into, or renewed on or after that date in
23 the same manner as the tax under this Section and in accordance
24 with the changes made by this amendatory Act of the 103rd
25 General Assembly.

26 Persons ~~Person~~ subject to any tax imposed under the

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

8 Whenever the Department determines that a refund should be
9 made under this Section to a claimant instead of issuing a
10 credit memorandum, the Department shall notify the State
11 Comptroller, who shall cause the order to be drawn for the
12 amount specified, and to the person named, in such
13 notification from the Department. The refund shall be paid by
14 the State Treasurer out of the Non-Home Rule Municipal
15 Retailers' Occupation Tax Fund or the Local Government
16 Aviation Trust Fund, as appropriate.

17 Except as otherwise provided in this paragraph, the
18 Department shall forthwith pay over to the State Treasurer, ex
19 officio, as trustee, all taxes and penalties collected
20 hereunder for deposit into the Non-Home Rule Municipal
21 Retailers' Occupation Tax Fund. Taxes and penalties collected
22 on aviation fuel sold on or after December 1, 2019, shall be
23 immediately paid over by the Department to the State
24 Treasurer, ex officio, as trustee, for deposit into the Local
25 Government Aviation Trust Fund. The Department shall only pay
26 moneys into the Local Government Aviation Trust Fund under

1 this Section for so long as the revenue use requirements of 49
2 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
3 Municipality.

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

12 As soon as possible after the first day of each month,
13 beginning July 1, 2026, upon certification of the Department
14 of Revenue, the Comptroller shall order transferred, and the
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
16 local sales tax increment, as defined in the Statewide
17 Innovation Development and Economy Act, collected under this
18 Section during the second preceding calendar month for sales
19 within a STAR bond district.

20 After the monthly transfers ~~transfer~~ to the STAR Bonds
21 Revenue Fund, on or before the 25th day of each calendar month,
22 the Department shall prepare and certify to the Comptroller
23 the disbursement of stated sums of money to named
24 municipalities, the municipalities to be those from which
25 suppliers and servicemen have paid taxes or penalties
26 hereunder to the Department during the second preceding

1 calendar month. The amount to be paid to each municipality
2 shall be the amount (not including credit memoranda and not
3 including taxes and penalties collected on aviation fuel sold
4 on or after December 1, 2019) collected hereunder during the
5 second preceding calendar month by the Department, and not
6 including an amount equal to the amount of refunds made during
7 the second preceding calendar month by the Department on
8 behalf of such municipality, and not including any amounts
9 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
10 of the remainder, which the Department shall transfer into the
11 Tax Compliance and Administration Fund. The Department, at the
12 time of each monthly disbursement to the municipalities, shall
13 prepare and certify to the State Comptroller the amount to be
14 transferred into the Tax Compliance and Administration Fund
15 under this Section. Within 10 days after receipt by the
16 Comptroller of the disbursement certification to the
17 municipalities, the Tax Compliance and Administration Fund,
18 and the General Revenue Fund, provided for in this Section to
19 be given to the Comptroller by the Department, the Comptroller
20 shall cause the orders to be drawn for the respective amounts
21 in accordance with the directions contained in the
22 certification.

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

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

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

7 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

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

9 Sec. 8-11-5. Home Rule Municipal Service Occupation Tax
10 Act. The corporate authorities of a home rule municipality may
11 impose a tax upon all persons engaged, in such municipality,
12 in the business of making sales of service at the same rate of
13 tax imposed pursuant to Section 8-11-1, of the selling price
14 of all tangible personal property transferred by such
15 servicemen either in the form of tangible personal property or
16 in the form of real estate as an incident to a sale of service.
17 If imposed, such tax shall only be imposed in 1/4% increments.
18 On and after September 1, 1991, this additional tax may not be
19 imposed on tangible personal property taxed at the 1% rate
20 under the Service Occupation Tax Act (or at the 0% rate imposed
21 under this amendatory Act of the 102nd General Assembly).
22 Beginning December 1, 2019, this tax may not be imposed on
23 sales of aviation fuel unless the tax revenue is expended for
24 airport-related purposes. If a municipality does not have an
25 airport-related purpose to which it dedicates aviation fuel

1 tax revenue, then aviation fuel shall be excluded from tax.
2 Each municipality must comply with the certification
3 requirements for airport-related purposes under Section 2-22
4 of the Retailers' Occupation Tax Act. For purposes of this
5 Section, "airport-related purposes" has the meaning ascribed
6 in Section 6z-20.2 of the State Finance Act. This exception
7 for aviation fuel only applies for so long as the revenue use
8 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
9 binding on the State. The changes made to this Section by this
10 amendatory Act of the 101st General Assembly are a denial and
11 limitation of home rule powers and functions under subsection
12 (g) of Section 6 of Article VII of the Illinois Constitution.
13 The tax imposed by a home rule municipality pursuant to this
14 Section and all civil penalties that may be assessed as an
15 incident thereof shall be collected and enforced by the State
16 Department of Revenue. The certificate of registration which
17 is issued by the Department to a retailer under the Retailers'
18 Occupation Tax Act or under the Service Occupation Tax Act
19 shall permit such registrant to engage in a business which is
20 taxable under any ordinance or resolution enacted pursuant to
21 this Section without registering separately with the
22 Department under such ordinance or resolution or under this
23 Section. The Department shall have full power to administer
24 and enforce this Section; to collect all taxes and penalties
25 due hereunder; to dispose of taxes and penalties so collected
26 in the manner hereinafter provided, and to determine all

1 rights to credit memoranda arising on account of the erroneous
2 payment of tax or penalty hereunder. In the administration of,
3 and compliance with, this Section the Department and persons
4 who are subject to this Section shall have the same rights,
5 remedies, privileges, immunities, powers and duties, and be
6 subject to the same conditions, restrictions, limitations,
7 penalties and definitions of terms, and employ the same modes
8 of procedure, as are prescribed in Sections 1a-1, 2, 2a, 3
9 through 3-50 (in respect to all provisions therein other than
10 the State rate of tax), 4 (except that the reference to the
11 State shall be to the taxing municipality), 5, 7, 8 (except
12 that the jurisdiction to which the tax shall be a debt to the
13 extent indicated in that Section 8 shall be the taxing
14 municipality), 9 (except as to the disposition of taxes and
15 penalties collected, and except that the returned merchandise
16 credit for this municipal tax may not be taken against any
17 State tax, and except that the retailer's discount is not
18 allowed for taxes paid on aviation fuel that are subject to the
19 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
20 47133), 10, 11, 12 (except the reference therein to Section 2b
21 of the Retailers' Occupation Tax Act), 13 (except that any
22 reference to the State shall mean the taxing municipality),
23 the first paragraph of Section 15, 16, 17 (except that credit
24 memoranda issued hereunder may not be used to discharge any
25 State tax liability), 18, 19 and 20 of the Service Occupation
26 Tax Act and Section 3-7 of the Uniform Penalty and Interest

1 Act, as fully as if those provisions were set forth herein.

2 No tax may be imposed by a home rule municipality pursuant
3 to this Section unless such municipality also imposes a tax at
4 the same rate pursuant to Section 8-11-1 of this Act.

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

13 Whenever the Department determines that a refund should be
14 made under this Section to a claimant instead of issuing
15 credit memorandum, the Department shall notify the State
16 Comptroller, who shall cause the order to be drawn for the
17 amount specified, and to the person named, in such
18 notification from the Department. Such refund shall be paid by
19 the State Treasurer out of the home rule municipal retailers'
20 occupation tax fund or the Local Government Aviation Trust
21 Fund, as appropriate.

22 Except as otherwise provided in this paragraph, the
23 Department shall forthwith pay over to the State Treasurer, ex
24 officio, as trustee, all taxes and penalties collected
25 hereunder for deposit into the Home Rule Municipal Retailers'
26 Occupation Tax Fund. Taxes and penalties collected on aviation

1 fuel sold on or after December 1, 2019, shall be immediately
2 paid over by the Department to the State Treasurer, ex
3 officio, as trustee, for deposit into the Local Government
4 Aviation Trust Fund. The Department shall only pay moneys into
5 the Local Government Aviation Trust Fund under this Section
6 for so long as the revenue use requirements of 49 U.S.C.
7 47107(b) and 49 U.S.C. 47133 are binding on the municipality.

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

16 As soon as possible after the first day of each month,
17 beginning July 1, 2026, upon certification of the Department
18 of Revenue, the Comptroller shall order transferred, and the
19 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
20 local sales tax increment, as defined in the Statewide
21 Innovation Development and Economy Act, collected under this
22 Section during the second preceding calendar month for sales
23 within a STAR bond district.

24 After the monthly transfers ~~transfer~~ to the STAR Bonds
25 Revenue Fund, on or before the 25th day of each calendar month,
26 the Department shall prepare and certify to the Comptroller

1 the disbursement of stated sums of money to named
2 municipalities, the municipalities to be those from which
3 suppliers and servicemen have paid taxes or penalties
4 hereunder to the Department during the second preceding
5 calendar month. The amount to be paid to each municipality
6 shall be the amount (not including credit memoranda and not
7 including taxes and penalties collected on aviation fuel sold
8 on or after December 1, 2019) collected hereunder during the
9 second preceding calendar month by the Department, and not
10 including an amount equal to the amount of refunds made during
11 the second preceding calendar month by the Department on
12 behalf of such municipality, and not including any amounts
13 that are transferred to the STAR Bonds Revenue Fund, less 1.5%
14 of the remainder, which the Department shall transfer into the
15 Tax Compliance and Administration Fund. The Department, at the
16 time of each monthly disbursement to the municipalities, shall
17 prepare and certify to the State Comptroller the amount to be
18 transferred into the Tax Compliance and Administration Fund
19 under this Section. Within 10 days after receipt, by the
20 Comptroller, of the disbursement certification to the
21 municipalities and the Tax Compliance and Administration Fund
22 provided for in this Section to be given to the Comptroller by
23 the Department, the Comptroller shall cause the orders to be
24 drawn for the respective amounts in accordance with the
25 directions contained in such certification.

26 In addition to the disbursement required by the preceding

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

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

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

13 An ordinance or resolution imposing or discontinuing a tax
14 hereunder or effecting a change in the rate thereof shall be
15 adopted and a certified copy thereof filed with the Department
16 on or before the first day of June, whereupon the Department
17 shall proceed to administer and enforce this Section as of the
18 first day of September next following such adoption and
19 filing. Beginning January 1, 1992, an ordinance or resolution
20 imposing or discontinuing the tax hereunder or effecting a
21 change in the rate thereof shall be adopted and a certified
22 copy thereof filed with the Department on or before the first
23 day of July, whereupon the Department shall proceed to
24 administer and enforce this Section as of the first day of
25 October next following such adoption and filing. Beginning
26 January 1, 1993, an ordinance or resolution imposing or

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

25 Any unobligated balance remaining in the Municipal
26 Retailers' Occupation Tax Fund on December 31, 1989, which

1 fund was abolished by Public Act 85-1135, and all receipts of
2 municipal tax as a result of audits of liability periods prior
3 to January 1, 1990, shall be paid into the Local Government Tax
4 Fund, for distribution as provided by this Section prior to
5 the enactment of Public Act 85-1135. All receipts of municipal
6 tax as a result of an assessment not arising from an audit, for
7 liability periods prior to January 1, 1990, shall be paid into
8 the Local Government Tax Fund for distribution before July 1,
9 1990, as provided by this Section prior to the enactment of
10 Public Act 85-1135, and on and after July 1, 1990, all such
11 receipts shall be distributed as provided in Section 6z-18 of
12 the State Finance Act.

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

16 This Section shall be known and may be cited as the Home
17 Rule Municipal Service Occupation Tax Act.

18 (Source: P.A. 101-10, eff. 6-5-19; 101-81, eff. 7-12-19;
19 101-604, eff. 12-13-19; 102-700, eff. 4-19-22.)

20 (65 ILCS 5/8-11-23)

21 Sec. 8-11-23. Municipal Cannabis Retailers' Occupation Tax
22 Law.

23 (a) This Section may be referred to as the Municipal
24 Cannabis Retailers' Occupation Tax Law. The corporate
25 authorities of any municipality may, by ordinance, impose a

1 tax upon all persons engaged in the business of selling
2 cannabis, other than cannabis purchased under the
3 Compassionate Use of Medical Cannabis Program Act, at retail
4 in the municipality on the gross receipts from these sales
5 made in the course of that business. If imposed, the tax may
6 not exceed 3% of the gross receipts from these sales and shall
7 only be imposed in 1/4% increments. The tax imposed under this
8 Section and all civil penalties that may be assessed as an
9 incident of the tax shall be collected and enforced by the
10 Department of Revenue. The Department of Revenue shall have
11 full power to administer and enforce this Section; to collect
12 all taxes and penalties due hereunder; to dispose of taxes and
13 penalties so collected in the manner hereinafter provided; and
14 to determine all rights to credit memoranda arising on account
15 of the erroneous payment of tax or penalty under this Section.
16 In the administration of and compliance with this Section, the
17 Department and persons who are subject to this Section shall
18 have the same rights, remedies, privileges, immunities, powers
19 and duties, and be subject to the same conditions,
20 restrictions, limitations, penalties and definitions of terms,
21 and employ the same modes of procedure, as are prescribed in
22 Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65
23 (in respect to all provisions therein other than the State
24 rate of tax), 2a, 2b, 2c, 2i, 3 (except as to the disposition
25 of taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e,
26 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,

1 11a, 12, and 13 of the Retailers' Occupation Tax Act and
2 Section 3-7 of the Uniform Penalty and Interest Act, as fully
3 as if those provisions were set forth herein.

4 (b) Persons subject to any tax imposed under the authority
5 granted in this Section may reimburse themselves for their
6 seller's tax liability hereunder by separately stating that
7 tax as an additional charge, which charge may be stated in
8 combination, in a single amount, with any State tax that
9 sellers are required to collect.

10 (c) Whenever the Department of Revenue determines that a
11 refund should be made under this Section to a claimant instead
12 of issuing a credit memorandum, the Department of Revenue
13 shall notify the State Comptroller, who shall cause the order
14 to be drawn for the amount specified and to the person named in
15 the notification from the Department of Revenue.

16 (d) Except as otherwise provided in this Section, the ~~The~~
17 Department of Revenue shall immediately pay over to the State
18 Treasurer, ex officio, as trustee, all taxes and penalties
19 collected hereunder for deposit into the Local Cannabis
20 Retailers' Occupation Tax Trust Fund.

21 As soon as possible after the first day of each month,
22 beginning July 1, 2026, upon certification of the Department
23 of Revenue, the Comptroller shall order transferred, and the
24 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
25 local sales tax increment, as defined in the Statewide
26 Innovation Development and Economy Act, collected under this

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

3 (e) After the monthly transfer to the STAR Bonds Revenue
4 Fund, on or ~~on~~ or before the 25th day of each calendar month, the
5 Department of Revenue shall prepare and certify to the
6 Comptroller the amount of money to be disbursed from the Local
7 Cannabis Retailers' Occupation Tax Trust Fund to
8 municipalities from which retailers have paid taxes or
9 penalties under this Section during the second preceding
10 calendar month. The amount to be paid to each municipality
11 shall be the amount (not including credit memoranda) collected
12 under this Section from sales made in the municipality during
13 the second preceding calendar month, plus an amount the
14 Department of Revenue determines is necessary to offset any
15 amounts that were erroneously paid to a different taxing body,
16 and not including an amount equal to the amount of refunds made
17 during the second preceding calendar month by the Department
18 on behalf of such municipality, and not including any amount
19 that the Department determines is necessary to offset any
20 amounts that were payable to a different taxing body but were
21 erroneously paid to the municipality, and not including any
22 amounts that are transferred to the STAR Bonds Revenue Fund,
23 less 1.5% of the remainder, which the Department shall
24 transfer into the Tax Compliance and Administration Fund. The
25 Department, at the time of each monthly disbursement to the
26 municipalities, shall prepare and certify to the State

1 Comptroller the amount to be transferred into the Tax
2 Compliance and Administration Fund under this Section. Within
3 10 days after receipt by the Comptroller of the disbursement
4 certification to the municipalities and the Tax Compliance and
5 Administration Fund provided for in this Section to be given
6 to the Comptroller by the Department, the Comptroller shall
7 cause the orders to be drawn for the respective amounts in
8 accordance with the directions contained in the certification.

9 (f) An ordinance or resolution imposing or discontinuing a
10 tax under this Section or effecting a change in the rate
11 thereof that is adopted on or after June 25, 2019 (the
12 effective date of Public Act 101-27) and for which a certified
13 copy is filed with the Department on or before April 1, 2020
14 shall be administered and enforced by the Department beginning
15 on July 1, 2020. For ordinances filed with the Department
16 after April 1, 2020, an ordinance or resolution imposing or
17 discontinuing a tax under this Section or effecting a change
18 in the rate thereof shall either (i) be adopted and a certified
19 copy thereof filed with the Department on or before the first
20 day of April, whereupon the Department shall proceed to
21 administer and enforce this Section as of the first day of July
22 next following the adoption and filing; or (ii) be adopted and
23 a certified copy thereof filed with the Department on or
24 before the first day of October, whereupon the Department
25 shall proceed to administer and enforce this Section as of the
26 first day of January next following the adoption and filing.

1 (Source: P.A. 101-27, eff. 6-25-19; 101-593, eff. 12-4-19.)

2 (65 ILCS 5/8-11-24)

3 Sec. 8-11-24. Municipal Grocery Occupation Tax Law.

4 (a) The corporate authorities of any municipality may, by
5 ordinance or resolution that takes effect on or after January
6 1, 2026, impose a tax upon all persons engaged in the business
7 of selling groceries at retail in the municipality on the
8 gross receipts from those sales made in the course of that
9 business. If imposed, the tax shall be at the rate of 1% of the
10 gross receipts from these sales.

11 The tax imposed by a municipality under this subsection
12 and all civil penalties that may be assessed as an incident of
13 the tax shall be collected and enforced by the Department. The
14 certificate of registration that is issued by the Department
15 to a retailer under the Retailers' Occupation Tax Act shall
16 permit the retailer to engage in a business that is taxable
17 under any ordinance or resolution enacted under this
18 subsection without registering separately with the Department
19 under that ordinance or resolution or under this subsection.

20 The Department shall have full power to administer and
21 enforce this subsection; to collect all taxes and penalties
22 due under this subsection; to dispose of taxes and penalties
23 so collected in the manner provided in this Section and under
24 rules adopted by the Department; and to determine all rights
25 to credit memoranda arising on account of the erroneous

1 payment of tax or penalty under this subsection.

2 In the administration of, and compliance with, this
3 subsection, the Department and persons who are subject to this
4 subsection shall have the same rights, remedies, privileges,
5 immunities, powers, and duties, and be subject to the same
6 conditions, restrictions, limitations, penalties and
7 definitions of terms, and employ the same modes of procedure,
8 as are prescribed in Sections 1, 2 through 2-65 (in respect to
9 all provisions therein other than the State rate of tax and
10 other than the exemption for food for human consumption that
11 is to be consumed off the premises where it is sold (other than
12 alcoholic beverages, food consisting of or infused with adult
13 use cannabis, soft drinks, candy, and food that has been
14 prepared for immediate consumption), which is authorized to be
15 taxed as provided in this subsection), 2c, 3 (except as to the
16 disposition of taxes and penalties collected), 4, 5, 5a, 5b,
17 5c, 5d, 5e, 5f, 5g, 5i, 5j, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11,
18 11a, 12 and 13 of the Retailers' Occupation Tax Act and all of
19 the Uniform Penalty and Interest Act, as fully as if those
20 provisions were set forth in this Section.

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

1 bracket schedules as the Department may prescribe.

2 (b) If a tax has been imposed under subsection (a), then a
3 service occupation tax must also be imposed at the same rate
4 upon all persons engaged, in the municipality, in the business
5 of making sales of service, who, as an incident to making those
6 sales of service, transfer groceries, as defined in this
7 Section, as an incident to a sale of service.

8 The tax imposed under this subsection and all civil
9 penalties that may be assessed as an incident thereof shall be
10 collected and enforced by the Department. The certificate of
11 registration that is issued by the Department to a retailer
12 under the Retailers' Occupation Tax Act or the Service
13 Occupation Tax Act shall permit the registrant to engage in a
14 business that is taxable under any ordinance or resolution
15 enacted pursuant to this subsection without registering
16 separately with the Department under the ordinance or
17 resolution or under this subsection.

18 The Department shall have full power to administer and
19 enforce this subsection, to collect all taxes and penalties
20 due under this subsection, to dispose of taxes and penalties
21 so collected in the manner provided in this Section and under
22 rules adopted by the Department, and to determine all rights
23 to credit memoranda arising on account of the erroneous
24 payment of a tax or penalty under this subsection.

25 In the administration of and compliance with this
26 subsection, the Department and persons who are subject to this

1 subsection shall have the same rights, remedies, privileges,
2 immunities, powers and duties, and be subject to the same
3 conditions, restrictions, limitations, penalties and
4 definitions of terms, and employ the same modes of procedure
5 as are set forth in Sections 2, 2c, 3 through 3-50 (in respect
6 to all provisions contained in those Sections other than (i)
7 the State rate of tax; (ii) the exemption for food for human
8 consumption that is to be consumed off the premises where it is
9 sold (other than alcoholic beverages, food consisting of or
10 infused with adult use cannabis, soft drinks, candy, and food
11 that has been prepared for immediate consumption), which is
12 authorized to be taxed as provided in this subsection; and
13 (iii) the exemption for food prepared for immediate
14 consumption and transferred incident to a sale of service
15 subject to the Service Occupation Tax Act or the Service Use
16 Tax Act by an entity licensed under the Hospital Licensing
17 Act, the Nursing Home Care Act, the Assisted Living and Shared
18 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
19 Specialized Mental Health Rehabilitation Act of 2013, or the
20 Child Care Act of 1969, or an entity that holds a permit issued
21 pursuant to the Life Care Facilities Act, which is authorized
22 to be taxed as provided in this subsection), 4, 5, 7, 8, 9
23 (except as to the disposition of taxes and penalties
24 collected), 10, 11, 12, 13, 15, 16, 17, 18, 19, and 20 of the
25 Service Occupation Tax Act and all provisions of the Uniform
26 Penalty and Interest Act, as fully as if those provisions were

1 set forth in this Section.

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

9 (c) The Department shall immediately pay over to the State
10 Treasurer, ex officio, as trustee, all taxes and penalties
11 collected under this Section. Those taxes and penalties shall
12 be deposited into the Municipal Grocery Tax Trust Fund, a
13 trust fund created in the State treasury. Except as otherwise
14 provided in this Section, moneys in the Municipal Grocery Tax
15 Trust Fund shall be used to make payments to municipalities
16 and for the payment of refunds under this Section.

17 Moneys deposited into the Municipal Grocery Tax Trust Fund
18 under this Section are not subject to appropriation and shall
19 be used as provided in this Section. All deposits into the
20 Municipal Grocery Tax Trust Fund shall be held in the
21 Municipal Grocery Tax Trust Fund by the State Treasurer, ex
22 officio, as trustee separate and apart from all public moneys
23 or funds of this State.

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

1 Comptroller, who shall cause the order to be drawn for the
2 amount specified and to the person named in the notification
3 from the Department. The refund shall be paid by the State
4 Treasurer out of the Municipal Grocery Tax Trust Fund.

5 (d) As soon as possible after the first day of each month,
6 upon certification of the Department, the Comptroller shall
7 order transferred, and the Treasurer shall transfer, to the
8 STAR Bonds Revenue Fund the local sales tax increment, if any,
9 as defined in the Innovation Development and Economy Act,
10 collected under this Section.

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

18 After the monthly ~~transfers~~ transfer to the STAR Bonds
19 Revenue Fund, if any, on or before the 25th day of each
20 calendar month, the Department shall prepare and certify to
21 the Comptroller the disbursement of stated sums of money to
22 named municipalities, the municipalities to be those from
23 which retailers have paid taxes or penalties under this
24 Section to the Department during the second preceding calendar
25 month. The amount to be paid to each municipality shall be the
26 amount (not including credit memoranda) collected under this

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

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

23 (f) Except as otherwise provided in this subsection, an
24 ordinance or resolution imposing or discontinuing the tax
25 hereunder or effecting a change in the rate thereof shall
26 either (i) be adopted and a certified copy thereof filed with

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

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

15 (h) As used in this Section, "Department" means the
16 Department of Revenue.

17 For purposes of the tax authorized to be imposed under
18 subsection (a), "groceries" has the same meaning as "food for
19 human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, food
21 consisting of or infused with adult use cannabis, soft drinks,
22 candy, and food that has been prepared for immediate
23 consumption)", as further defined in Section 2-10 of the
24 Retailers' Occupation Tax Act.

25 For purposes of the tax authorized to be imposed under
26 subsection (b), "groceries" has the same meaning as "food for

1 human consumption that is to be consumed off the premises
2 where it is sold (other than alcoholic beverages, food
3 consisting of or infused with adult use cannabis, soft drinks,
4 candy, and food that has been prepared for immediate
5 consumption)", as further defined in Section 3-10 of the
6 Service Occupation Tax Act. For purposes of the tax authorized
7 to be imposed under subsection (b), "groceries" also means
8 food prepared for immediate consumption and transferred
9 incident to a sale of service subject to the Service
10 Occupation Tax Act or the Service Use Tax Act by an entity
11 licensed under the Hospital Licensing Act, the Nursing Home
12 Care Act, the Assisted Living and Shared Housing Act, the
13 ID/DD Community Care Act, the MC/DD Act, the Specialized
14 Mental Health Rehabilitation Act of 2013, or the Child Care
15 Act of 1969, or an entity that holds a permit issued pursuant
16 to the Life Care Facilities Act.

17 (i) This Section may be referred to as the Municipal
18 Grocery Occupation Tax Law.

19 (Source: P.A. 103-781, eff. 8-5-24; 104-6, eff. 1-1-26.)

20 (65 ILCS 5/11-74.3-6)

21 Sec. 11-74.3-6. Business district revenue and obligations;
22 business district tax allocation fund.

23 (a) If the corporate authorities of a municipality have
24 approved a business district plan, have designated a business
25 district, and have elected to impose a tax by ordinance

1 pursuant to subsection (10) or (11) of Section 11-74.3-3, then
2 each year after the date of the approval of the ordinance but
3 terminating upon the date all business district project costs
4 and all obligations paying or reimbursing business district
5 project costs, if any, have been paid, but in no event later
6 than the dissolution date, all amounts generated by the
7 retailers' occupation tax and service occupation tax shall be
8 collected and the tax shall be enforced by the Department of
9 Revenue in the same manner as all retailers' occupation taxes
10 and service occupation taxes imposed in the municipality
11 imposing the tax and all amounts generated by the hotel
12 operators' occupation tax shall be collected and the tax shall
13 be enforced by the municipality in the same manner as all hotel
14 operators' occupation taxes imposed in the municipality
15 imposing the tax. The corporate authorities of the
16 municipality shall deposit the proceeds of the taxes imposed
17 under subsections (10) and (11) of Section 11-74.3-3 into a
18 special fund of the municipality called the "[Name of]
19 Business District Tax Allocation Fund" for the purpose of
20 paying or reimbursing business district project costs and
21 obligations incurred in the payment of those costs.

22 (b) The corporate authorities of a municipality that has
23 designated a business district under this Law may, by
24 ordinance, impose a Business District Retailers' Occupation
25 Tax upon all persons engaged in the business of selling
26 tangible personal property, other than an item of tangible

1 personal property titled or registered with an agency of this
2 State's government, at retail in the business district at a
3 rate not to exceed 1% of the gross receipts from the sales made
4 in the course of such business, to be imposed only in 0.25%
5 increments. The tax may not be imposed on tangible personal
6 property taxed at the rate of 1% under the Retailers'
7 Occupation Tax Act (or at the 0% rate imposed under this
8 amendatory Act of the 102nd General Assembly). Beginning
9 December 1, 2019 and through December 31, 2020, this tax is not
10 imposed on sales of aviation fuel unless the tax revenue is
11 expended for airport-related purposes. If the District does
12 not have an airport-related purpose to which it dedicates
13 aviation fuel tax revenue, then aviation fuel is excluded from
14 the tax. Each municipality must comply with the certification
15 requirements for airport-related purposes under Section 2-22
16 of the Retailers' Occupation Tax Act. For purposes of this
17 Section, "airport-related purposes" has the meaning ascribed
18 in Section 6z-20.2 of the State Finance Act. Beginning January
19 1, 2021, this tax is not imposed on sales of aviation fuel for
20 so long as the revenue use requirements of 49 U.S.C. 47107(b)
21 and 49 U.S.C. 47133 are binding on the District.

22 The tax imposed under this subsection and all civil
23 penalties that may be assessed as an incident thereof shall be
24 collected and enforced by the Department of Revenue. The
25 certificate of registration that is issued by the Department
26 to a retailer under the Retailers' Occupation Tax Act shall

1 permit the retailer to engage in a business that is taxable
2 under any ordinance or resolution enacted pursuant to this
3 subsection without registering separately with the Department
4 under such ordinance or resolution or under this subsection.
5 The Department of Revenue shall have full power to administer
6 and enforce this subsection; to collect all taxes and
7 penalties due under this subsection in the manner hereinafter
8 provided; and to determine all rights to credit memoranda
9 arising on account of the erroneous payment of tax or penalty
10 under this subsection. In the administration of, and
11 compliance with, this subsection, the Department and persons
12 who are subject to this subsection shall have the same rights,
13 remedies, privileges, immunities, powers and duties, and be
14 subject to the same conditions, restrictions, limitations,
15 penalties, exclusions, exemptions, and definitions of terms
16 and employ the same modes of procedure, as are prescribed in
17 Sections 1, 1a through 1o, 2 through 2-65 (in respect to all
18 provisions therein other than the State rate of tax), 2c
19 through 2h, 3 (except as to the disposition of taxes and
20 penalties collected, and except that the retailer's discount
21 is not allowed for taxes paid on aviation fuel that are subject
22 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
23 U.S.C. 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,
24 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, 13, and 14 of the Retailers'
25 Occupation Tax Act and all provisions of the Uniform Penalty
26 and Interest Act, as fully as if those provisions were set

1 forth herein.

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

9 Whenever the Department determines that a refund should be
10 made under this subsection to a claimant instead of issuing a
11 credit memorandum, the Department shall notify the State
12 Comptroller, who shall cause the order to be drawn for the
13 amount specified and to the person named in the notification
14 from the Department. The refund shall be paid by the State
15 Treasurer out of the business district retailers' occupation
16 tax fund or the Local Government Aviation Trust Fund, as
17 appropriate.

18 Except as otherwise provided in this paragraph, the
19 Department shall immediately pay over to the State Treasurer,
20 ex officio, as trustee, all taxes, penalties, and interest
21 collected under this subsection for deposit into the business
22 district retailers' occupation tax fund. Taxes and penalties
23 collected on aviation fuel sold on or after December 1, 2019,
24 shall be immediately paid over by the Department to the State
25 Treasurer, ex officio, as trustee, for deposit into the Local
26 Government Aviation Trust Fund. The Department shall only pay

1 moneys into the Local Government Aviation Trust Fund under
2 this Section for so long as the revenue use requirements of 49
3 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
4 District.

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

13 As soon as possible after the first day of each month,
14 beginning July 1, 2026, upon certification of the Department
15 of Revenue, the Comptroller shall order transferred, and the
16 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
17 local sales tax increment, as defined in the Statewide
18 Innovation Development and Economy Act, collected under this
19 Section during the second preceding calendar month for sales
20 within a STAR bond district.

21 After the monthly transfers ~~transfer~~ to the STAR Bonds
22 Revenue Fund, on or before the 25th day of each calendar month,
23 the Department shall prepare and certify to the Comptroller
24 the disbursement of stated sums of money to named
25 municipalities from the business district retailers'
26 occupation tax fund, the municipalities to be those from which

1 retailers have paid taxes or penalties under this subsection
2 to the Department during the second preceding calendar month.
3 The amount to be paid to each municipality shall be the amount
4 (not including credit memoranda and not including taxes and
5 penalties collected on aviation fuel sold on or after December
6 1, 2019) collected under this subsection during the second
7 preceding calendar month by the Department plus an amount the
8 Department determines is necessary to offset any amounts that
9 were erroneously paid to a different taxing body, and not
10 including an amount equal to the amount of refunds made during
11 the second preceding calendar month by the Department, less 2%
12 of that amount (except the amount collected on aviation fuel
13 sold on or after December 1, 2019), which shall be deposited
14 into the Tax Compliance and Administration Fund and shall be
15 used by the Department, subject to appropriation, to cover the
16 costs of the Department in administering and enforcing the
17 provisions of this subsection, on behalf of such municipality,
18 and not including any amount that the Department determines is
19 necessary to offset any amounts that were payable to a
20 different taxing body but were erroneously paid to the
21 municipality, and not including any amounts that are
22 transferred to the STAR Bonds Revenue Fund. Within 10 days
23 after receipt by the Comptroller of the disbursement
24 certification to the municipalities provided for in this
25 subsection to be given to the Comptroller by the Department,
26 the Comptroller shall cause the orders to be drawn for the

1 respective amounts in accordance with the directions contained
2 in the certification. The proceeds of the tax paid to
3 municipalities under this subsection shall be deposited into
4 the Business District Tax Allocation Fund by the municipality.

5 An ordinance imposing or discontinuing the tax under this
6 subsection or effecting a change in the rate thereof shall
7 either (i) be adopted and a certified copy thereof filed with
8 the Department on or before the first day of April, whereupon
9 the Department, if all other requirements of this subsection
10 are met, shall proceed to administer and enforce this
11 subsection as of the first day of July next following the
12 adoption and filing; or (ii) be adopted and a certified copy
13 thereof filed with the Department on or before the first day of
14 October, whereupon, if all other requirements of this
15 subsection are met, the Department shall proceed to administer
16 and enforce this subsection as of the first day of January next
17 following the adoption and filing.

18 The Department of Revenue shall not administer or enforce
19 an ordinance imposing, discontinuing, or changing the rate of
20 the tax under this subsection, until the municipality also
21 provides, in the manner prescribed by the Department, the
22 boundaries of the business district and each address in the
23 business district in such a way that the Department can
24 determine by its address whether a business is located in the
25 business district. The municipality must provide this boundary
26 and address information to the Department on or before April 1

1 for administration and enforcement of the tax under this
2 subsection by the Department beginning on the following July 1
3 and on or before October 1 for administration and enforcement
4 of the tax under this subsection by the Department beginning
5 on the following January 1. The Department of Revenue shall
6 not administer or enforce any change made to the boundaries of
7 a business district or address change, addition, or deletion
8 until the municipality reports the boundary change or address
9 change, addition, or deletion to the Department in the manner
10 prescribed by the Department. The municipality must provide
11 this boundary change information or address change, addition,
12 or deletion to the Department on or before April 1 for
13 administration and enforcement by the Department of the change
14 beginning on the following July 1 and on or before October 1
15 for administration and enforcement by the Department of the
16 change beginning on the following January 1. The retailers in
17 the business district shall be responsible for charging the
18 tax imposed under this subsection. If a retailer is
19 incorrectly included or excluded from the list of those
20 required to collect the tax under this subsection, both the
21 Department of Revenue and the retailer shall be held harmless
22 if they reasonably relied on information provided by the
23 municipality.

24 A municipality that imposes the tax under this subsection
25 must submit to the Department of Revenue any other information
26 as the Department may require for the administration and

1 enforcement of the tax.

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

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

13 If a tax is imposed under this subsection (b), a tax shall
14 also be imposed under subsection (c) of this Section.

15 (c) If a tax has been imposed under subsection (b), a
16 Business District Service Occupation Tax shall also be imposed
17 upon all persons engaged, in the business district, in the
18 business of making sales of service, who, as an incident to
19 making those sales of service, transfer tangible personal
20 property within the business district, either in the form of
21 tangible personal property or in the form of real estate as an
22 incident to a sale of service. The tax shall be imposed at the
23 same rate as the tax imposed in subsection (b) and shall not
24 exceed 1% of the selling price of tangible personal property
25 so transferred within the business district, to be imposed
26 only in 0.25% increments. The tax may not be imposed on

1 tangible personal property taxed at the 1% rate under the
2 Service Occupation Tax Act (or at the 0% rate imposed under
3 this amendatory Act of the 102nd General Assembly). Beginning
4 December 1, 2019, this tax is not imposed on sales of aviation
5 fuel unless the tax revenue is expended for airport-related
6 purposes. If the District does not have an airport-related
7 purpose to which it dedicates aviation fuel tax revenue, then
8 aviation fuel is excluded from the tax. Each municipality must
9 comply with the certification requirements for airport-related
10 purposes under Section 2-22 of the Retailers' Occupation Tax
11 Act. For purposes of this Act, "airport-related purposes" has
12 the meaning ascribed in Section 6z-20.2 of the State Finance
13 Act. Beginning January 1, 2021, this tax is not imposed on
14 sales of aviation fuel for so long as the revenue use
15 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
16 binding on the District.

17 The tax imposed under this subsection and all civil
18 penalties that may be assessed as an incident thereof shall be
19 collected and enforced by the Department of Revenue. The
20 certificate of registration which is issued by the Department
21 to a retailer under the Retailers' Occupation Tax Act or under
22 the Service Occupation Tax Act shall permit such registrant to
23 engage in a business which is taxable under any ordinance or
24 resolution enacted pursuant to this subsection without
25 registering separately with the Department under such
26 ordinance or resolution or under this subsection. The

1 Department of Revenue shall have full power to administer and
2 enforce this subsection; to collect all taxes and penalties
3 due under this subsection; to dispose of taxes and penalties
4 so collected in the manner hereinafter provided; and to
5 determine all rights to credit memoranda arising on account of
6 the erroneous payment of tax or penalty under this subsection.
7 In the administration of, and compliance with this subsection,
8 the Department and persons who are subject to this subsection
9 shall have the same rights, remedies, privileges, immunities,
10 powers and duties, and be subject to the same conditions,
11 restrictions, limitations, penalties, exclusions, exemptions,
12 and definitions of terms and employ the same modes of
13 procedure as are prescribed in Sections 2, 2a through 2d, 3
14 through 3-50 (in respect to all provisions therein other than
15 the State rate of tax), 4 (except that the reference to the
16 State shall be to the business district), 5, 7, 8 (except that
17 the jurisdiction to which the tax shall be a debt to the extent
18 indicated in that Section 8 shall be the municipality), 9
19 (except as to the disposition of taxes and penalties
20 collected, and except that the returned merchandise credit for
21 this tax may not be taken against any State tax, and except
22 that the retailer's discount is not allowed for taxes paid on
23 aviation fuel that are subject to the revenue use requirements
24 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10, 11, 12 (except
25 the reference therein to Section 2b of the Retailers'
26 Occupation Tax Act), 13 (except that any reference to the

1 State shall mean the municipality), the first paragraph of
2 Section 15, and Sections 16, 17, 18, 19 and 20 of the Service
3 Occupation Tax Act and all provisions of the Uniform Penalty
4 and Interest Act, as fully as if those provisions were set
5 forth herein.

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

14 Whenever the Department determines that a refund should be
15 made under this subsection to a claimant instead of issuing
16 credit memorandum, the Department shall notify the State
17 Comptroller, who shall cause the order to be drawn for the
18 amount specified, and to the person named, in such
19 notification from the Department. Such refund shall be paid by
20 the State Treasurer out of the business district retailers'
21 occupation tax fund or the Local Government Aviation Trust
22 Fund, as appropriate.

23 Except as otherwise provided in this paragraph, the
24 Department shall forthwith pay over to the State Treasurer, ex
25 officio ~~ex officio~~, as trustee, all taxes, penalties, and
26 interest collected under this subsection for deposit into the

1 business district retailers' occupation tax fund. Taxes and
2 penalties collected on aviation fuel sold on or after December
3 1, 2019, shall be immediately paid over by the Department to
4 the State Treasurer, ex officio, as trustee, for deposit into
5 the Local Government Aviation Trust Fund. The Department shall
6 only pay moneys into the Local Government Aviation Trust Fund
7 under this Section for so long as the revenue use requirements
8 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
9 District.

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

18 As soon as possible after the first day of each month,
19 beginning July 1, 2026, upon certification of the Department
20 of Revenue, the Comptroller shall order transferred, and the
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
22 local sales tax increment, as defined in the Statewide
23 Innovation Development and Economy Act, collected under this
24 Section during the second preceding calendar month for sales
25 within a STAR bond district.

26 After the monthly transfers ~~transfer~~ to the STAR Bonds

1 Revenue Fund, on or before the 25th day of each calendar month,
2 the Department shall prepare and certify to the Comptroller
3 the disbursement of stated sums of money to named
4 municipalities from the business district retailers'
5 occupation tax fund, the municipalities to be those from which
6 suppliers and servicemen have paid taxes or penalties under
7 this subsection to the Department during the second preceding
8 calendar month. The amount to be paid to each municipality
9 shall be the amount (not including credit memoranda and not
10 including taxes and penalties collected on aviation fuel sold
11 on or after December 1, 2019) collected under this subsection
12 during the second preceding calendar month by the Department,
13 less 2% of that amount (except the amount collected on
14 aviation fuel sold on or after December 1, 2019), which shall
15 be deposited into the Tax Compliance and Administration Fund
16 and shall be used by the Department, subject to appropriation,
17 to cover the costs of the Department in administering and
18 enforcing the provisions of this subsection, and not including
19 an amount equal to the amount of refunds made during the second
20 preceding calendar month by the Department on behalf of such
21 municipality, and not including any amounts that are
22 transferred to the STAR Bonds Revenue Fund. Within 10 days
23 after receipt, by the Comptroller, of the disbursement
24 certification to the municipalities, provided for in this
25 subsection to be given to the Comptroller by the Department,
26 the Comptroller shall cause the orders to be drawn for the

1 respective amounts in accordance with the directions contained
2 in such certification. The proceeds of the tax paid to
3 municipalities under this subsection shall be deposited into
4 the Business District Tax Allocation Fund by the municipality.

5 An ordinance imposing or discontinuing the tax under this
6 subsection or effecting a change in the rate thereof shall
7 either (i) be adopted and a certified copy thereof filed with
8 the Department on or before the first day of April, whereupon
9 the Department, if all other requirements of this subsection
10 are met, shall proceed to administer and enforce this
11 subsection as of the first day of July next following the
12 adoption and filing; or (ii) be adopted and a certified copy
13 thereof filed with the Department on or before the first day of
14 October, whereupon, if all other conditions of this subsection
15 are met, the Department shall proceed to administer and
16 enforce this subsection as of the first day of January next
17 following the adoption and filing.

18 The Department of Revenue shall not administer or enforce
19 an ordinance imposing, discontinuing, or changing the rate of
20 the tax under this subsection, until the municipality also
21 provides, in the manner prescribed by the Department, the
22 boundaries of the business district in such a way that the
23 Department can determine by its address whether a business is
24 located in the business district. The municipality must
25 provide this boundary and address information to the
26 Department on or before April 1 for administration and

1 enforcement of the tax under this subsection by the Department
2 beginning on the following July 1 and on or before October 1
3 for administration and enforcement of the tax under this
4 subsection by the Department beginning on the following
5 January 1. The Department of Revenue shall not administer or
6 enforce any change made to the boundaries of a business
7 district or address change, addition, or deletion until the
8 municipality reports the boundary change or address change,
9 addition, or deletion to the Department in the manner
10 prescribed by the Department. The municipality must provide
11 this boundary change information or address change, addition,
12 or deletion to the Department on or before April 1 for
13 administration and enforcement by the Department of the change
14 beginning on the following July 1 and on or before October 1
15 for administration and enforcement by the Department of the
16 change beginning on the following January 1. The retailers in
17 the business district shall be responsible for charging the
18 tax imposed under this subsection. If a retailer is
19 incorrectly included or excluded from the list of those
20 required to collect the tax under this subsection, both the
21 Department of Revenue and the retailer shall be held harmless
22 if they reasonably relied on information provided by the
23 municipality.

24 A municipality that imposes the tax under this subsection
25 must submit to the Department of Revenue any other information
26 as the Department may require for the administration and

1 enforcement of the tax.

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

7 If a tax is imposed under this subsection (c), a tax shall
8 also be imposed under subsection (b) of this Section.

9 (c-5) If, on January 1, 2025, a unit of local government
10 has in effect a tax under this Section, or if, after January 1,
11 2025, a unit of local government imposes a tax under this
12 Section, then that tax applies to leases of tangible personal
13 property in effect, entered into, or renewed on or after that
14 date in the same manner as the tax under this Section and in
15 accordance with the changes made by this amendatory Act of the
16 103rd General Assembly.

17 (d) By ordinance, a municipality that has designated a
18 business district under this Law may impose an occupation tax
19 upon all persons engaged in the business district in the
20 business of renting, leasing, or letting rooms in a hotel, as
21 defined in the Hotel Operators' Occupation Tax Act, at a rate
22 not to exceed 1% of the gross rental receipts from the renting,
23 leasing, or letting of hotel rooms within the business
24 district, to be imposed only in 0.25% increments, excluding,
25 however, from gross rental receipts the proceeds of renting,
26 leasing, or letting to permanent residents of a hotel, as

1 defined in the Hotel Operators' Occupation Tax Act, and
2 proceeds from the tax imposed under subsection (c) of Section
3 13 of the Metropolitan Pier and Exposition Authority Act.

4 The tax imposed by the municipality under this subsection
5 and all civil penalties that may be assessed as an incident to
6 that tax shall be collected and enforced by the municipality
7 imposing the tax. The municipality shall have full power to
8 administer and enforce this subsection, to collect all taxes
9 and penalties due under this subsection, to dispose of taxes
10 and penalties so collected in the manner provided in this
11 subsection, and to determine all rights to credit memoranda
12 arising on account of the erroneous payment of tax or penalty
13 under this subsection. In the administration of and compliance
14 with this subsection, the municipality and persons who are
15 subject to this subsection shall have the same rights,
16 remedies, privileges, immunities, powers, and duties, shall be
17 subject to the same conditions, restrictions, limitations,
18 penalties, and definitions of terms, and shall employ the same
19 modes of procedure as are employed with respect to a tax
20 adopted by the municipality under Section 8-3-14 of this Code.

21 Persons subject to any tax imposed under the authority
22 granted in this subsection may reimburse themselves for their
23 tax liability for that tax by separately stating that tax as an
24 additional charge, which charge may be stated in combination,
25 in a single amount, with State taxes imposed under the Hotel
26 Operators' Occupation Tax Act, and with any other tax.

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

5 The proceeds of the tax imposed under this subsection
6 shall be deposited into the Business District Tax Allocation
7 Fund.

8 (e) Obligations secured by the Business District Tax
9 Allocation Fund may be issued to provide for the payment or
10 reimbursement of business district project costs. Those
11 obligations, when so issued, shall be retired in the manner
12 provided in the ordinance authorizing the issuance of those
13 obligations by the receipts of taxes imposed pursuant to
14 subsections (10) and (11) of Section 11-74.3-3 and by other
15 revenue designated or pledged by the municipality. A
16 municipality may in the ordinance pledge, for any period of
17 time up to and including the dissolution date, all or any part
18 of the funds in and to be deposited into ~~in~~ the Business
19 District Tax Allocation Fund to the payment of business
20 district project costs and obligations. Whenever a
21 municipality pledges all of the funds to the credit of a
22 business district tax allocation fund to secure obligations
23 issued or to be issued to pay or reimburse business district
24 project costs, the municipality may specifically provide that
25 funds remaining to the credit of such business district tax
26 allocation fund after the payment of such obligations shall be

1 accounted for annually and shall be deemed to be "surplus"
2 funds, and such "surplus" funds shall be expended by the
3 municipality for any business district project cost as
4 approved in the business district plan. Whenever a
5 municipality pledges less than all of the monies to the credit
6 of a business district tax allocation fund to secure
7 obligations issued or to be issued to pay or reimburse
8 business district project costs, the municipality shall
9 provide that monies to the credit of the business district tax
10 allocation fund and not subject to such pledge or otherwise
11 encumbered or required for payment of contractual obligations
12 for specific business district project costs shall be
13 calculated annually and shall be deemed to be "surplus" funds,
14 and such "surplus" funds shall be expended by the municipality
15 for any business district project cost as approved in the
16 business district plan.

17 No obligation issued pursuant to this Law and secured by a
18 pledge of all or any portion of any revenues received or to be
19 received by the municipality from the imposition of taxes
20 pursuant to subsection (10) of Section 11-74.3-3, shall be
21 deemed to constitute an economic incentive agreement under
22 Section 8-11-20, notwithstanding the fact that such pledge
23 provides for the sharing, rebate, or payment of retailers'
24 occupation taxes or service occupation taxes imposed pursuant
25 to subsection (10) of Section 11-74.3-3 and received or to be
26 received by the municipality from the development or

1 redevelopment of properties in the business district.

2 Without limiting the foregoing in this Section, the
3 municipality may further secure obligations secured by the
4 business district tax allocation fund with a pledge, for a
5 period not greater than the term of the obligations and in any
6 case not longer than the dissolution date, of any part or any
7 combination of the following: (i) net revenues of all or part
8 of any business district project; (ii) taxes levied or imposed
9 by the municipality on any or all property in the
10 municipality, including, specifically, taxes levied or imposed
11 by the municipality in a special service area pursuant to the
12 Special Service Area Tax Law; (iii) the full faith and credit
13 of the municipality; (iv) a mortgage on part or all of the
14 business district project; or (v) any other taxes or
15 anticipated receipts that the municipality may lawfully
16 pledge.

17 Such obligations may be issued in one or more series, bear
18 such date or dates, become due at such time or times as therein
19 provided, but in any case not later than (i) 20 years after the
20 date of issue or (ii) the dissolution date, whichever is
21 earlier, bear interest payable at such intervals and at such
22 rate or rates as set forth therein, except as may be limited by
23 applicable law, which rate or rates may be fixed or variable,
24 be in such denominations, be in such form, either coupon,
25 registered, or book-entry, carry such conversion, registration
26 and exchange privileges, be subject to defeasance upon such

1 terms, have such rank or priority, be executed in such manner,
2 be payable in such medium or payment at such place or places
3 within or without the State, make provision for a corporate
4 trustee within or without the State with respect to such
5 obligations, prescribe the rights, powers, and duties thereof
6 to be exercised for the benefit of the municipality and the
7 benefit of the owners of such obligations, provide for the
8 holding in trust, investment, and use of moneys, funds, and
9 accounts held under an ordinance, provide for assignment of
10 and direct payment of the moneys to pay such obligations or to
11 be deposited into such funds or accounts directly to such
12 trustee, be subject to such terms of redemption with or
13 without premium, and be sold at such price, all as the
14 corporate authorities shall determine. No referendum approval
15 of the electors shall be required as a condition to the
16 issuance of obligations pursuant to this Law except as
17 provided in this Section.

18 In the event the municipality authorizes the issuance of
19 obligations pursuant to the authority of this Law secured by
20 the full faith and credit of the municipality, or pledges ad
21 valorem taxes pursuant to this subsection, which obligations
22 are other than obligations which may be issued under home rule
23 powers provided by Section 6 of Article VII of the Illinois
24 Constitution or which ad valorem taxes are other than ad
25 valorem taxes which may be pledged under home rule powers
26 provided by Section 6 of Article VII of the Illinois

1 Constitution or which are levied in a special service area
2 pursuant to the Special Service Area Tax Law, the ordinance
3 authorizing the issuance of those obligations or pledging
4 those taxes shall be published within 10 days after the
5 ordinance has been adopted, in a newspaper having a general
6 circulation within the municipality. The publication of the
7 ordinance shall be accompanied by a notice of (i) the specific
8 number of voters required to sign a petition requesting the
9 question of the issuance of the obligations or pledging such
10 ad valorem taxes to be submitted to the electors; (ii) the time
11 within which the petition must be filed; and (iii) the date of
12 the prospective referendum. The municipal clerk shall provide
13 a petition form to any individual requesting one.

14 If no petition is filed with the municipal clerk, as
15 hereinafter provided in this Section, within 21 days after the
16 publication of the ordinance, the ordinance shall be in
17 effect. However, if within that 21-day period a petition is
18 filed with the municipal clerk, signed by electors numbering
19 not less than 15% of the number of electors voting for the
20 mayor or president at the last general municipal election,
21 asking that the question of issuing obligations using full
22 faith and credit of the municipality as security for the cost
23 of paying or reimbursing business district project costs, or
24 of pledging such ad valorem taxes for the payment of those
25 obligations, or both, be submitted to the electors of the
26 municipality, the municipality shall not be authorized to

1 issue obligations of the municipality using the full faith and
2 credit of the municipality as security or pledging such ad
3 valorem taxes for the payment of those obligations, or both,
4 until the proposition has been submitted to and approved by a
5 majority of the voters voting on the proposition at a
6 regularly scheduled election. The municipality shall certify
7 the proposition to the proper election authorities for
8 submission in accordance with the general election law.

9 The ordinance authorizing the obligations may provide that
10 the obligations shall contain a recital that they are issued
11 pursuant to this Law, which recital shall be conclusive
12 evidence of their validity and of the regularity of their
13 issuance.

14 In the event the municipality authorizes issuance of
15 obligations pursuant to this Law secured by the full faith and
16 credit of the municipality, the ordinance authorizing the
17 obligations may provide for the levy and collection of a
18 direct annual tax upon all taxable property within the
19 municipality sufficient to pay the principal thereof and
20 interest thereon as it matures, which levy may be in addition
21 to and exclusive of the maximum of all other taxes authorized
22 to be levied by the municipality, which levy, however, shall
23 be abated to the extent that monies from other sources are
24 available for payment of the obligations and the municipality
25 certifies the amount of those monies available to the county
26 clerk.

1 A certified copy of the ordinance shall be filed with the
2 county clerk of each county in which any portion of the
3 municipality is situated, and shall constitute the authority
4 for the extension and collection of the taxes to be deposited
5 into ~~in~~ the business district tax allocation fund.

6 A municipality may also issue its obligations to refund,
7 in whole or in part, obligations theretofore issued by the
8 municipality under the authority of this Law, whether at or
9 prior to maturity. However, the last maturity of the refunding
10 obligations shall not be expressed to mature later than the
11 dissolution date.

12 In the event a municipality issues obligations under home
13 rule powers or other legislative authority, the proceeds of
14 which are pledged to pay or reimburse business district
15 project costs, the municipality may, if it has followed the
16 procedures in conformance with this Law, retire those
17 obligations from funds in the business district tax allocation
18 fund in amounts and in such manner as if those obligations had
19 been issued pursuant to the provisions of this Law.

20 No obligations issued pursuant to this Law shall be
21 regarded as indebtedness of the municipality issuing those
22 obligations or any other taxing district for the purpose of
23 any limitation imposed by law.

24 Obligations issued pursuant to this Law shall not be
25 subject to the provisions of the Bond Authorization Act.

26 (f) When business district project costs, including,

1 without limitation, all obligations paying or reimbursing
2 business district project costs have been paid, any surplus
3 funds then remaining in the Business District Tax Allocation
4 Fund shall be distributed to the municipal treasurer for
5 deposit into the general corporate fund of the municipality.
6 Upon payment of all business district project costs and
7 retirement of all obligations paying or reimbursing business
8 district project costs, but in no event more than 23 years
9 after the date of adoption of the ordinance imposing taxes
10 pursuant to subsection (10) or (11) of Section 11-74.3-3, the
11 municipality shall adopt an ordinance immediately rescinding
12 the taxes imposed pursuant to subsection (10) or (11) of
13 Section 11-74.3-3.

14 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

15 (70 ILCS 925/Act rep.)

16 Section 10-43. The Mid-Illinois Medical District Act is
17 repealed.

18 Section 10-45. The Metro-East Park and Recreation District
19 Act is amended by changing Section 30 as follows:

20 (70 ILCS 1605/30)

21 Sec. 30. Taxes.

22 (a) The board shall impose a tax upon all persons engaged
23 in the business of selling tangible personal property, other

1 than personal property titled or registered with an agency of
2 this State's government, at retail in the District on the
3 gross receipts from the sales made in the course of business.
4 This tax shall be imposed only at the rate of one-tenth of one
5 per cent.

6 This additional tax may not be imposed on tangible
7 personal property taxed at the 1% rate under the Retailers'
8 Occupation Tax Act (or at the 0% rate imposed under this
9 amendatory Act of the 102nd General Assembly). Beginning
10 December 1, 2019 and through December 31, 2020, this tax is not
11 imposed on sales of aviation fuel unless the tax revenue is
12 expended for airport-related purposes. If the District does
13 not have an airport-related purpose to which it dedicates
14 aviation fuel tax revenue, then aviation fuel shall be
15 excluded from tax. The board must comply with the
16 certification requirements for airport-related purposes under
17 Section 2-22 of the Retailers' Occupation Tax Act. For
18 purposes of this Act, "airport-related purposes" has the
19 meaning ascribed in Section 6z-20.2 of the State Finance Act.
20 Beginning January 1, 2021, this tax is not imposed on sales of
21 aviation fuel for so long as the revenue use requirements of 49
22 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
23 District. The tax imposed by the Board under this Section and
24 all civil penalties that may be assessed as an incident of the
25 tax shall be collected and enforced by the Department of
26 Revenue. The certificate of registration that is issued by the

1 Department to a retailer under the Retailers' Occupation Tax
2 Act shall permit the retailer to engage in a business that is
3 taxable without registering separately with the Department
4 under an ordinance or resolution under this Section. The
5 Department has full power to administer and enforce this
6 Section, to collect all taxes and penalties due under this
7 Section, to dispose of taxes and penalties so collected in the
8 manner provided in this Section, and to determine all rights
9 to credit memoranda arising on account of the erroneous
10 payment of a tax or penalty under this Section. In the
11 administration of and compliance with this Section, the
12 Department and persons who are subject to this Section shall
13 (i) have the same rights, remedies, privileges, immunities,
14 powers, and duties, (ii) be subject to the same conditions,
15 restrictions, limitations, penalties, and definitions of
16 terms, and (iii) employ the same modes of procedure as are
17 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,
18 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions
19 contained in those Sections other than the State rate of tax),
20 2-12, 2-15 through 2-70, 2a, 2b, 2c, 3 (except provisions
21 relating to transaction returns and quarter monthly payments,
22 and except that the retailer's discount is not allowed for
23 taxes paid on aviation fuel that are subject to the revenue use
24 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 4, 5,
25 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,
26 6d, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'

1 Occupation Tax Act and the Uniform Penalty and Interest Act as
2 if those provisions were set forth in this Section.

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

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

19 (b) If a tax has been imposed under subsection (a), a
20 service occupation tax shall also be imposed at the same rate
21 upon all persons engaged, in the District, in the business of
22 making sales of service, who, as an incident to making those
23 sales of service, transfer tangible personal property within
24 the District as an incident to a sale of service. This tax may
25 not be imposed on tangible personal property taxed at the 1%
26 rate under the Service Occupation Tax Act (or at the 0% rate

1 imposed under this amendatory Act of the 102nd General
2 Assembly). Beginning December 1, 2019 and through December 31,
3 2020, this tax may not be imposed on sales of aviation fuel
4 unless the tax revenue is expended for airport-related
5 purposes. If the District does not have an airport-related
6 purpose to which it dedicates aviation fuel tax revenue, then
7 aviation fuel shall be excluded from tax. The board must
8 comply with the certification requirements for airport-related
9 purposes under Section 2-22 of the Retailers' Occupation Tax
10 Act. For purposes of this Act, "airport-related purposes" has
11 the meaning ascribed in Section 6z-20.2 of the State Finance
12 Act. Beginning January 1, 2021, this tax is not imposed on
13 sales of aviation fuel for so long as the revenue use
14 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
15 binding on the District. The tax imposed under this subsection
16 and all civil penalties that may be assessed as an incident
17 thereof shall be collected and enforced by the Department of
18 Revenue. The Department has full power to administer and
19 enforce this subsection; to collect all taxes and penalties
20 due hereunder; to dispose of taxes and penalties so collected
21 in the manner hereinafter provided; and to determine all
22 rights to credit memoranda arising on account of the erroneous
23 payment of tax or penalty hereunder. In the administration of,
24 and compliance with this subsection, the Department and
25 persons who are subject to this paragraph shall (i) have the
26 same rights, remedies, privileges, immunities, powers, and

1 duties, (ii) be subject to the same conditions, restrictions,
2 limitations, penalties, exclusions, exemptions, and
3 definitions of terms, and (iii) employ the same modes of
4 procedure as are prescribed in Sections 2 (except that the
5 reference to State in the definition of supplier maintaining a
6 place of business in this State shall mean the District), 2a,
7 2b, 2c, 3 through 3-50 (in respect to all provisions therein
8 other than the State rate of tax), 4 (except that the reference
9 to the State shall be to the District), 5, 7, 8 (except that
10 the jurisdiction to which the tax shall be a debt to the extent
11 indicated in that Section 8 shall be the District), 9 (except
12 as to the disposition of taxes and penalties collected, and
13 except that the retailer's discount is not allowed for taxes
14 paid on aviation fuel that are subject to the revenue use
15 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133), 10,
16 11, 12 (except the reference therein to Section 2b of the
17 Retailers' Occupation Tax Act), 13 (except that any reference
18 to the State shall mean the District), Sections 15, 16, 17, 18,
19 19 and 20 of the Service Occupation Tax Act and the Uniform
20 Penalty and Interest Act, as fully as if those provisions were
21 set forth herein.

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

1 authorized to collect under the Service Use Tax Act, in
2 accordance with such bracket schedules as the Department may
3 prescribe.

4 Whenever the Department determines that a refund should be
5 made under this subsection to a claimant instead of issuing a
6 credit memorandum, the Department shall notify the State
7 Comptroller, who shall cause the warrant to be drawn for the
8 amount specified, and to the person named, in the notification
9 from the Department. The refund shall be paid by the State
10 Treasurer out of the State Metro-East Park and Recreation
11 District Fund or the Local Government Aviation Trust Fund, as
12 appropriate.

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

17 (b-5) If, on January 1, 2025, a unit of local government
18 has in effect a tax under this Section, or if, after January 1,
19 2025, a unit of local government imposes a tax under this
20 Section, then that tax applies to leases of tangible personal
21 property in effect, entered into, or renewed on or after that
22 date in the same manner as the tax under this Section and in
23 accordance with the changes made by this amendatory Act of the
24 103rd General Assembly.

25 (c) Except as otherwise provided in this paragraph, the
26 Department shall immediately pay over to the State Treasurer,

1 ex officio, as trustee, all taxes and penalties collected
2 under this Section to be deposited into the State Metro-East
3 Park and Recreation District Fund, which shall be an
4 unappropriated trust fund held outside of the State treasury.
5 Taxes and penalties collected on aviation fuel sold on or
6 after December 1, 2019 and through December 31, 2020, shall be
7 immediately paid over by the Department to the State
8 Treasurer, ex officio, as trustee, for deposit into the Local
9 Government Aviation Trust Fund. The Department shall only pay
10 moneys into the Local Government Aviation Trust Fund under
11 this Act for so long as the revenue use requirements of 49
12 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
13 District.

14 As soon as possible after the first day of each month,
15 beginning January 1, 2011, upon certification of the
16 Department of Revenue, the Comptroller shall order
17 transferred, and the Treasurer shall transfer, to the STAR
18 Bonds Revenue Fund the local sales tax increment, as defined
19 in the Innovation Development and Economy Act, collected under
20 this Section during the second preceding calendar month for
21 sales within a STAR bond district. The Department shall make
22 this certification only if the Metro East Park and Recreation
23 District imposes a tax on real property as provided in the
24 definition of "local sales taxes" under the Innovation
25 Development and Economy Act.

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

1 beginning June 1, 2026, upon certification of the Department
2 of Revenue, the Comptroller shall order transferred, and the
3 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
4 local sales tax increment, as defined in the Statewide
5 Innovation Development and Economy Act, collected under this
6 Section during the second preceding calendar month for sales
7 within a STAR bond district. The Department shall make this
8 certification only if the Metro East Park and Recreation
9 District imposes a tax on real property as provided in the
10 definition of "local sales taxes" under the Statewide
11 Innovation Development and Economy Act.

12 After the monthly transfers ~~transfer~~ to the STAR Bonds
13 Revenue Fund, on or before the 25th day of each calendar month,
14 the Department shall prepare and certify to the Comptroller
15 the disbursement of stated sums of money pursuant to Section
16 35 of this Act to the District from which retailers have paid
17 taxes or penalties to the Department during the second
18 preceding calendar month. The amount to be paid to the
19 District shall be the amount (not including credit memoranda
20 and not including taxes and penalties collected on aviation
21 fuel sold on or after December 1, 2019 and through December 31,
22 2020) collected under this Section during the second preceding
23 calendar month by the Department plus an amount the Department
24 determines is necessary to offset any amounts that were
25 erroneously paid to a different taxing body, and not including
26 (i) an amount equal to the amount of refunds made during the

1 second preceding calendar month by the Department on behalf of
2 the District, (ii) any amount that the Department determines
3 is necessary to offset any amounts that were payable to a
4 different taxing body but were erroneously paid to the
5 District, (iii) any amounts that are transferred to the STAR
6 Bonds Revenue Fund, and (iv) 1.5% of the remainder, which the
7 Department shall transfer into the Tax Compliance and
8 Administration Fund. The Department, at the time of each
9 monthly disbursement to the District, shall prepare and
10 certify to the State Comptroller the amount to be transferred
11 into the Tax Compliance and Administration Fund under this
12 subsection. Within 10 days after receipt by the Comptroller of
13 the disbursement certification to the District and the Tax
14 Compliance and Administration Fund provided for in this
15 Section to be given to the Comptroller by the Department, the
16 Comptroller shall cause the orders to be drawn for the
17 respective amounts in accordance with directions contained in
18 the certification.

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

1 Constitution as a sale in interstate or foreign commerce.

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

7 (f) An ordinance imposing a tax under this Section or an
8 ordinance extending the imposition of a tax to an additional
9 county or counties shall be certified by the board and filed
10 with the Department of Revenue either (i) on or before the
11 first day of April, whereupon the Department shall proceed to
12 administer and enforce the tax as of the first day of July next
13 following the filing; or (ii) on or before the first day of
14 October, whereupon the Department shall proceed to administer
15 and enforce the tax as of the first day of January next
16 following the filing.

17 (g) When certifying the amount of a monthly disbursement
18 to the District under this Section, the Department shall
19 increase or decrease the amounts by an amount necessary to
20 offset any misallocation of previous disbursements. The offset
21 amount shall be the amount erroneously disbursed within the
22 previous 6 months from the time a misallocation is discovered.
23 (Source: P.A. 102-700, eff. 4-19-22; 103-592, eff. 1-1-25.)

24 Section 10-50. The Local Mass Transit District Act is
25 amended by changing Section 5.01 as follows:

1 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

2 Sec. 5.01. Metro East Mass Transit District; use and
3 occupation taxes.

4 (a) The Board of Trustees of any Metro East Mass Transit
5 District may, by ordinance adopted with the concurrence of
6 two-thirds of the then trustees, impose throughout the
7 District any or all of the taxes and fees provided in this
8 Section. Except as otherwise provided, all taxes and fees
9 imposed under this Section shall be used only for public mass
10 transportation systems, and the amount used to provide mass
11 transit service to unserved areas of the District shall be in
12 the same proportion to the total proceeds as the number of
13 persons residing in the unserved areas is to the total
14 population of the District. Except as otherwise provided in
15 this Act, taxes imposed under this Section and civil penalties
16 imposed incident thereto shall be collected and enforced by
17 the State Department of Revenue. The Department shall have the
18 power to administer and enforce the taxes and to determine all
19 rights for refunds for erroneous payments of the taxes.

20 (b) The Board may impose a Metro East Mass Transit
21 District Retailers' Occupation Tax upon all persons engaged in
22 the business of selling tangible personal property at retail
23 in the district at a rate of 1/4 of 1%, or as authorized under
24 subsection (d-5) of this Section, of the gross receipts from
25 the sales made in the course of such business within the

1 district, including sales of food for human consumption that
2 is to be consumed off the premises where it is sold (other than
3 alcoholic beverages, food consisting of or infused with adult
4 use cannabis, soft drinks, candy, and food that has been
5 prepared for immediate consumption), except that the rate of
6 tax imposed under this Section on sales of aviation fuel on or
7 after December 1, 2019 shall be 0.25% in Madison County unless
8 the Metro-East Mass Transit District in Madison County has an
9 "airport-related purpose" and any additional amount authorized
10 under subsection (d-5) is expended for airport-related
11 purposes. If there is no airport-related purpose to which
12 aviation fuel tax revenue is dedicated, then aviation fuel is
13 excluded from any additional amount authorized under
14 subsection (d-5). The rate in St. Clair County shall be 0.25%
15 unless the Metro-East Mass Transit District in St. Clair
16 County has an "airport-related purpose" and the additional
17 0.50% of the 0.75% tax on aviation fuel imposed in that County
18 is expended for airport-related purposes. If there is no
19 airport-related purpose to which aviation fuel tax revenue is
20 dedicated, then aviation fuel is excluded from the additional
21 0.50% of the 0.75% tax.

22 The Board must comply with the certification requirements
23 for airport-related purposes under Section 2-22 of the
24 Retailers' Occupation Tax Act. For purposes of this Section,
25 "airport-related purposes" has the meaning ascribed in Section
26 6z-20.2 of the State Finance Act. This exclusion for aviation

1 fuel only applies for so long as the revenue use requirements
2 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
3 District.

4 The tax imposed under this Section and all civil penalties
5 that may be assessed as an incident thereof shall be collected
6 and enforced by the State Department of Revenue. The
7 Department shall have full power to administer and enforce
8 this Section; to collect all taxes and penalties so collected
9 in the manner hereinafter provided; and to determine all
10 rights to credit memoranda arising on account of the erroneous
11 payment of tax or penalty hereunder. In the administration of,
12 and compliance with, this Section, the Department and persons
13 who are subject to this Section shall have the same rights,
14 remedies, privileges, immunities, powers and duties, and be
15 subject to the same conditions, restrictions, limitations,
16 penalties, exclusions, exemptions and definitions of terms and
17 employ the same modes of procedure, as are prescribed in
18 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65
19 (in respect to all provisions therein other than the State
20 rate of tax and other than the exemption for food for human
21 consumption that is to be consumed off the premises where it is
22 sold (other than alcoholic beverages, food consisting of or
23 infused with adult use cannabis, soft drinks, candy, and food
24 that has been prepared for immediate consumption), which is
25 taxed at the rate as provided in this subsection), 2c, 3
26 (except as to the disposition of taxes and penalties

1 collected, and except that the retailer's discount is not
2 allowed for taxes paid on aviation fuel that are subject to the
3 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
4 47133), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6,
5 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of the
6 Retailers' Occupation Tax Act and Section 3-7 of the Uniform
7 Penalty and Interest Act, as fully as if those provisions were
8 set forth herein.

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

16 Whenever the Department determines that a refund should be
17 made under this Section to a claimant instead of issuing a
18 credit memorandum, the Department shall notify the State
19 Comptroller, who shall cause the warrant to be drawn for the
20 amount specified, and to the person named, in the notification
21 from the Department. The refund shall be paid by the State
22 Treasurer out of the Metro East Mass Transit District tax fund
23 established under paragraph (h) of this Section or the Local
24 Government Aviation Trust Fund, as appropriate.

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

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

10 No tax shall be imposed or collected under this subsection
11 on the sale of a motor vehicle in this State to a resident of
12 another state if that motor vehicle will not be titled in this
13 State.

14 Nothing in this Section shall be construed to authorize
15 the Metro East Mass Transit District to impose a tax upon the
16 privilege of engaging in any business which under the
17 Constitution of the United States may not be made the subject
18 of taxation by this State.

19 (c) If a tax has been imposed under subsection (b), a Metro
20 East Mass Transit District Service Occupation Tax shall also
21 be imposed upon all persons engaged, in the district, in the
22 business of making sales of service, who, as an incident to
23 making those sales of service, transfer tangible personal
24 property within the District, either in the form of tangible
25 personal property or in the form of real estate as an incident
26 to a sale of service. The tax rate shall be (1) 1/4%, or as

1 authorized under subsection (d-5) of this Section, of the
2 selling price of tangible personal property so transferred
3 within the district, including food for human consumption that
4 is to be consumed off the premises where it is sold (other than
5 alcoholic beverages, food consisting of or infused with adult
6 use cannabis, soft drinks, candy, and food that has been
7 prepared for immediate consumption); and (2) 1/4%, or as
8 authorized under subsection (d-5) of this Section, of the
9 serviceman's cost price of food prepared for immediate
10 consumption and transferred incident to a sale of service
11 subject to the service occupation tax by an entity that is
12 licensed under the Hospital Licensing Act, the Nursing Home
13 Care Act, the Assisted Living and Shared Housing Act, the
14 Specialized Mental Health Rehabilitation Act of 2013, the
15 ID/DD Community Care Act, or the MC/DD Act, or the Child Care
16 Act of 1969, or an entity that holds a permit issued pursuant
17 to the Life Care Facilities Act. However, the rate of tax
18 imposed in these Counties under this Section on sales of
19 aviation fuel on or after December 1, 2019 shall be 0.25% in
20 Madison County unless the Metro-East Mass Transit District in
21 Madison County has an "airport-related purpose" and any
22 additional amount authorized under subsection (d-5) is
23 expended for airport-related purposes. If there is no
24 airport-related purpose to which aviation fuel tax revenue is
25 dedicated, then aviation fuel is excluded from any additional
26 amount authorized under subsection (d-5). The rate in St.

1 Clair County shall be 0.25% unless the Metro-East Mass Transit
2 District in St. Clair County has an "airport-related purpose"
3 and the additional 0.50% of the 0.75% tax on aviation fuel is
4 expended for airport-related purposes. If there is no
5 airport-related purpose to which aviation fuel tax revenue is
6 dedicated, then aviation fuel is excluded from the additional
7 0.50% of the 0.75% tax.

8 The Board must comply with the certification requirements
9 for airport-related purposes under Section 2-22 of the
10 Retailers' Occupation Tax Act. For purposes of this Section,
11 "airport-related purposes" has the meaning ascribed in Section
12 6z-20.2 of the State Finance Act. This exclusion for aviation
13 fuel only applies for so long as the revenue use requirements
14 of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
15 District.

16 The tax imposed under this paragraph and all civil
17 penalties that may be assessed as an incident thereof shall be
18 collected and enforced by the State Department of Revenue. The
19 Department shall have full power to administer and enforce
20 this paragraph; to collect all taxes and penalties due
21 hereunder; to dispose of taxes and penalties so collected in
22 the manner hereinafter provided; and to determine all rights
23 to credit memoranda arising on account of the erroneous
24 payment of tax or penalty hereunder. In the administration of,
25 and compliance with this paragraph, the Department and persons
26 who are subject to this paragraph shall have the same rights,

1 remedies, privileges, immunities, powers and duties, and be
2 subject to the same conditions, restrictions, limitations,
3 penalties, exclusions, exemptions and definitions of terms and
4 employ the same modes of procedure as are prescribed in
5 Sections 1a-1, 2 (except that the reference to State in the
6 definition of supplier maintaining a place of business in this
7 State shall mean the Authority), 2a, 3 through 3-50 (in
8 respect to all provisions therein other than (i) the State
9 rate of tax; (ii) the exemption for food for human consumption
10 that is to be consumed off the premises where it is sold (other
11 than alcoholic beverages, food consisting of or infused with
12 adult use cannabis, soft drinks, candy, and food that has been
13 prepared for immediate consumption), which is taxed at the
14 rate as provided in this subsection; and (iii) the exemption
15 for food prepared for immediate consumption and transferred
16 incident to a sale of service subject to the service
17 occupation tax by an entity that is licensed under the
18 Hospital Licensing Act, the Nursing Home Care Act, the
19 Assisted Living and Shared Housing Act, the Specialized Mental
20 Health Rehabilitation Act of 2013, the ID/DD Community Care
21 Act, or the MC/DD Act, or the Child Care Act of 1969, or an
22 entity that holds a permit issued pursuant to the Life Care
23 Facilities Act, which is taxed at the rate as provided in this
24 subsection), 4 (except that the reference to the State shall
25 be to the Authority), 5, 7, 8 (except that the jurisdiction to
26 which the tax shall be a debt to the extent indicated in that

1 Section 8 shall be the District), 9 (except as to the
2 disposition of taxes and penalties collected, and except that
3 the returned merchandise credit for this tax may not be taken
4 against any State tax, and except that the retailer's discount
5 is not allowed for taxes paid on aviation fuel that are subject
6 to the revenue use requirements of 49 U.S.C. 47107(b) and 49
7 U.S.C. 47133), 10, 11, 12 (except the reference therein to
8 Section 2b of the Retailers' Occupation Tax Act), 13 (except
9 that any reference to the State shall mean the District), the
10 first paragraph of Section 15, 16, 17, 18, 19 and 20 of the
11 Service Occupation Tax Act and Section 3-7 of the Uniform
12 Penalty and Interest Act, as fully as if those provisions were
13 set forth herein.

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

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

1 from the Department. The refund shall be paid by the State
2 Treasurer out of the Metro East Mass Transit District tax fund
3 established under paragraph (h) of this Section or the Local
4 Government Aviation Trust Fund, as appropriate.

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

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

1 officer with whom, the tangible personal property must be
2 titled or registered if the Department and the State agency or
3 State officer determine that this procedure will expedite the
4 processing of applications for title or registration.

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

1 provisions were set forth herein.

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

10 (d-1) If, on January 1, 2025, a unit of local government
11 has in effect a tax under subsections (b), (c), and (d) or if,
12 after January 1, 2025, a unit of local government imposes a tax
13 under subsections (b), (c), and (d), then that tax applies to
14 leases of tangible personal property in effect, entered into,
15 or renewed on or after that date in the same manner as the tax
16 under this Section and in accordance with the changes made by
17 this amendatory Act of the 103rd General Assembly.

18 (d-5) (A) The county board of any county participating in
19 the Metro East Mass Transit District may authorize, by
20 ordinance, a referendum on the question of whether the tax
21 rates for the Metro East Mass Transit District Retailers'
22 Occupation Tax, the Metro East Mass Transit District Service
23 Occupation Tax, and the Metro East Mass Transit District Use
24 Tax for the District should be increased from 0.25% to 0.75%.
25 Upon adopting the ordinance, the county board shall certify
26 the proposition to the proper election officials who shall

1 submit the proposition to the voters of the District at the
2 next election, in accordance with the general election law.

3 The proposition shall be in substantially the following
4 form:

5 Shall the tax rates for the Metro East Mass Transit
6 District Retailers' Occupation Tax, the Metro East Mass
7 Transit District Service Occupation Tax, and the Metro
8 East Mass Transit District Use Tax be increased from 0.25%
9 to 0.75%?

10 (B) Two thousand five hundred electors of any Metro East
11 Mass Transit District may petition the Chief Judge of the
12 Circuit Court, or any judge of that Circuit designated by the
13 Chief Judge, in which that District is located to cause to be
14 submitted to a vote of the electors the question whether the
15 tax rates for the Metro East Mass Transit District Retailers'
16 Occupation Tax, the Metro East Mass Transit District Service
17 Occupation Tax, and the Metro East Mass Transit District Use
18 Tax for the District should be increased from 0.25% to 0.75%.

19 Upon submission of such petition the court shall set a
20 date not less than 10 nor more than 30 days thereafter for a
21 hearing on the sufficiency thereof. Notice of the filing of
22 such petition and of such date shall be given in writing to the
23 District and the County Clerk at least 7 days before the date
24 of such hearing.

25 If such petition is found sufficient, the court shall
26 enter an order to submit that proposition at the next

1 election, in accordance with general election law.

2 The form of the petition shall be in substantially the
3 following form: To the Circuit Court of the County of (name of
4 county):

5 We, the undersigned electors of the (name of transit
6 district), respectfully petition your honor to submit to a
7 vote of the electors of (name of transit district) the
8 following proposition:

9 Shall the tax rates for the Metro East Mass Transit
10 District Retailers' Occupation Tax, the Metro East Mass
11 Transit District Service Occupation Tax, and the Metro
12 East Mass Transit District Use Tax be increased from 0.25%
13 to 0.75%?

14	Name	Address, with Street and Number.
15
16

17 (C) The votes shall be recorded as "YES" or "NO". If a
18 majority of all votes cast on the proposition are for the
19 increase in the tax rates, the Metro East Mass Transit
20 District shall begin imposing the increased rates in the
21 District, and the Department of Revenue shall begin collecting
22 the increased amounts, as provided under this Section. An
23 ordinance imposing or discontinuing a tax hereunder or
24 effecting a change in the rate thereof shall be adopted and a
25 certified copy thereof filed with the Department on or before
26 the first day of October, whereupon the Department shall

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

6 (D) If the voters have approved a referendum under this
7 subsection, before November 1, 1994, to increase the tax rate
8 under this subsection, the Metro East Mass Transit District
9 Board of Trustees may adopt by a majority vote an ordinance at
10 any time before January 1, 1995 that excludes from the rate
11 increase tangible personal property that is titled or
12 registered with an agency of this State's government. The
13 ordinance excluding titled or registered tangible personal
14 property from the rate increase must be filed with the
15 Department at least 15 days before its effective date. At any
16 time after adopting an ordinance excluding from the rate
17 increase tangible personal property that is titled or
18 registered with an agency of this State's government, the
19 Metro East Mass Transit District Board of Trustees may adopt
20 an ordinance applying the rate increase to that tangible
21 personal property. The ordinance shall be adopted, and a
22 certified copy of that ordinance shall be filed with the
23 Department, on or before October 1, whereupon the Department
24 shall proceed to administer and enforce the rate increase
25 against tangible personal property titled or registered with
26 an agency of this State's government as of the following

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

1 (d-6) If the Board of Trustees of any Metro East Mass
2 Transit District has imposed a rate increase under subsection
3 (d-5) and filed an ordinance with the Department of Revenue
4 excluding titled property from the higher rate, then that
5 Board may, by ordinance adopted with the concurrence of
6 two-thirds of the then trustees, impose throughout the
7 District a fee. The fee on the excluded property shall not
8 exceed \$20 per retail transaction or an amount equal to the
9 amount of tax excluded, whichever is less, on tangible
10 personal property that is titled or registered with an agency
11 of this State's government. Beginning July 1, 2004, the fee
12 shall apply only to titled property that is subject to either
13 the Metro East Mass Transit District Retailers' Occupation Tax
14 or the Metro East Mass Transit District Service Occupation
15 Tax. No fee shall be imposed or collected under this
16 subsection on the sale of a motor vehicle in this State to a
17 resident of another state if that motor vehicle will not be
18 titled in this State.

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

25 (d-7.1) Beginning July 1, 2004, any fee imposed by the
26 Board of Trustees of any Metro East Mass Transit District

1 under subsection (d-6) and all civil penalties that may be
2 assessed as an incident of the fees shall be collected and
3 enforced by the State Department of Revenue. Reference to
4 "taxes" in this Section shall be construed to apply to the
5 administration, payment, and remittance of all fees under this
6 Section. For purposes of any fee imposed under subsection
7 (d-6), 4% of the fee, penalty, and interest received by the
8 Department in the first 12 months that the fee is collected and
9 enforced by the Department and 2% of the fee, penalty, and
10 interest following the first 12 months (except the amount
11 collected on aviation fuel sold on or after December 1, 2019)
12 shall be deposited into the Tax Compliance and Administration
13 Fund and shall be used by the Department, subject to
14 appropriation, to cover the costs of the Department. No
15 retailers' discount shall apply to any fee imposed under
16 subsection (d-6).

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

21 (d-9) (Blank).

22 (d-10) (Blank).

23 (e) A certificate of registration issued by the State
24 Department of Revenue to a retailer under the Retailers'
25 Occupation Tax Act or under the Service Occupation Tax Act
26 shall permit the registrant to engage in a business that is

1 taxed under the tax imposed under paragraphs (b), (c) or (d) of
2 this Section and no additional registration shall be required
3 under the tax. A certificate issued under the Use Tax Act or
4 the Service Use Tax Act shall be applicable with regard to any
5 tax imposed under paragraph (c) of this Section.

6 (f) (Blank).

7 (g) Any ordinance imposing or discontinuing any tax under
8 this Section shall be adopted and a certified copy thereof
9 filed with the Department on or before June 1, whereupon the
10 Department of Revenue shall proceed to administer and enforce
11 this Section on behalf of the Metro East Mass Transit District
12 as of September 1 next following such adoption and filing.
13 Beginning January 1, 1992, an ordinance or resolution imposing
14 or discontinuing the tax hereunder shall be adopted and a
15 certified copy thereof filed with the Department on or before
16 the first day of July, whereupon the Department shall proceed
17 to administer and enforce this Section as of the first day of
18 October next following such adoption and filing. Beginning
19 January 1, 1993, except as provided in subsection (d-5) of
20 this Section, an ordinance or resolution imposing or
21 discontinuing the tax hereunder shall be adopted and a
22 certified copy thereof filed with the Department on or before
23 the first day of October, whereupon the Department shall
24 proceed to administer and enforce this Section as of the first
25 day of January next following such adoption and filing, or,
26 beginning January 1, 2004, on or before the first day of April,

1 whereupon the Department shall proceed to administer and
2 enforce this Section as of the first day of July next following
3 the adoption and filing.

4 (h) Except as provided in subsection (d-7.1), the State
5 Department of Revenue shall, upon collecting any taxes as
6 provided in this Section, pay the taxes over to the State
7 Treasurer as trustee for the District. The taxes shall be held
8 in a trust fund outside the State treasury. If an
9 airport-related purpose has been certified, taxes and
10 penalties collected in St. Clair County on aviation fuel sold
11 on or after December 1, 2019 from the 0.50% of the 0.75% rate
12 shall be immediately paid over by the Department to the State
13 Treasurer, ex officio, as trustee, for deposit into the Local
14 Government Aviation Trust Fund. The Department shall only pay
15 moneys into the Local Government Aviation Trust Fund under
16 this Act for so long as the revenue use requirements of 49
17 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the
18 District.

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

1 this certification only if the local mass transit district
2 imposes a tax on real property as provided in the definition of
3 "local sales taxes" under the Innovation Development and
4 Economy Act.

5 As soon as possible after the first day of each month,
6 beginning July 1, 2026, upon certification of the Department
7 of Revenue, the Comptroller shall order transferred, and the
8 Treasurer shall transfer, to the STAR Bonds Revenue Fund the
9 local sales tax increment, as defined in the Statewide
10 Innovation Development and Economy Act, collected under this
11 Section during the second preceding calendar month for sales
12 within a STAR bond district. The Department shall make this
13 certification only if the local mass transit district imposes
14 a tax on real property as provided in the definition of "local
15 sales taxes" under the Statewide Innovation Development and
16 Economy Act.

17 After the monthly transfers ~~transfer~~ to the STAR Bonds
18 Revenue Fund, on or before the 25th day of each calendar month,
19 the State Department of Revenue shall prepare and certify to
20 the Comptroller of the State of Illinois the amount to be paid
21 to the District, which shall be the amount (not including
22 credit memoranda and not including taxes and penalties
23 collected on aviation fuel sold on or after December 1, 2019
24 that are deposited into the Local Government Aviation Trust
25 Fund) collected under this Section during the second preceding
26 calendar month by the Department plus an amount the Department

1 determines is necessary to offset any amounts that were
2 erroneously paid to a different taxing body, and not including
3 any amount equal to the amount of refunds made during the
4 second preceding calendar month by the Department on behalf of
5 the District, and not including any amount that the Department
6 determines is necessary to offset any amounts that were
7 payable to a different taxing body but were erroneously paid
8 to the District, and less any amounts that are transferred to
9 the STAR Bonds Revenue Fund, less 1.5% of the remainder, which
10 the Department shall transfer into the Tax Compliance and
11 Administration Fund. The Department, at the time of each
12 monthly disbursement to the District, shall prepare and
13 certify to the State Comptroller the amount to be transferred
14 into the Tax Compliance and Administration Fund under this
15 subsection. Within 10 days after receipt by the Comptroller of
16 the certification of the amount to be paid to the District and
17 the Tax Compliance and Administration Fund, the Comptroller
18 shall cause an order to be drawn for payment for the amount in
19 accordance with the direction in the certification.

20 (Source: P.A. 103-592, eff. 1-1-25; 104-6, eff. 1-1-26.)

21 Section 10-55. The Eminent Domain Act is amended by
22 changing Section 15-5-15 as follows:

23 (735 ILCS 30/15-5-15)

24 (Text of Section before amendment by P.A. 104-457)

1 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70
2 through 75. The following provisions of law may include
3 express grants of the power to acquire property by
4 condemnation or eminent domain:

5 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport
6 authorities; for public airport facilities.

7 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport
8 authorities; for removal of airport hazards.

9 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport
10 authorities; for reduction of the height of objects or
11 structures.

12 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate
13 airport authorities; for general purposes.

14 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority
15 Act; Kankakee River Valley Area Airport Authority; for
16 acquisition of land for airports.

17 (70 ILCS 200/2-20); Civic Center Code; civic center
18 authorities; for grounds, centers, buildings, and parking.

19 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center
20 Authority; for grounds, centers, buildings, and parking.

21 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan
22 Exposition, Auditorium and Office Building Authority; for
23 grounds, centers, buildings, and parking.

24 (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center
25 Authority; for grounds, centers, buildings, and parking.

1 (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic
2 Center Authority; for grounds, centers, buildings, and
3 parking.

4 (70 ILCS 200/35-35); Civic Center Code; Brownstown Park
5 District Civic Center Authority; for grounds, centers,
6 buildings, and parking.

7 (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic
8 Center Authority; for grounds, centers, buildings, and
9 parking.

10 (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic
11 Center Authority; for grounds, centers, buildings, and
12 parking.

13 (70 ILCS 200/60-30); Civic Center Code; Collinsville
14 Metropolitan Exposition, Auditorium and Office Building
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic
17 Center Authority; for grounds, centers, buildings, and
18 parking.

19 (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan
20 Exposition, Auditorium and Office Building Authority; for
21 grounds, centers, buildings, and parking.

22 (70 ILCS 200/80-15); Civic Center Code; DuPage County
23 Metropolitan Exposition, Auditorium and Office Building
24 Authority; for grounds, centers, buildings, and parking.

25 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan
26 Exposition, Auditorium and Office Building Authority; for

1 grounds, centers, buildings, and parking.

2 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan
3 Exposition, Auditorium and Office Building Authority; for
4 grounds, centers, buildings, and parking.

5 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic
6 Center Authority; for grounds, centers, buildings, and
7 parking.

8 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic
9 Center Authority; for grounds, centers, buildings, and
10 parking.

11 (70 ILCS 200/120-25); Civic Center Code; Jefferson County
12 Metropolitan Exposition, Auditorium and Office Building
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County
15 Civic Center Authority; for grounds, centers, buildings,
16 and parking.

17 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham
18 Metropolitan Exposition, Auditorium and Office Building
19 Authority; for grounds, centers, buildings, and parking.

20 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center
21 Authority; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic
23 Center Authority; for grounds, centers, buildings, and
24 parking.

25 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan
26 Civic Center Authority; for grounds, centers, buildings,

1 and parking.

2 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center
3 Authority; for grounds, centers, buildings, and parking.

4 (70 ILCS 200/165-35); Civic Center Code; Melrose Park
5 Metropolitan Exposition Auditorium and Office Building
6 Authority; for grounds, centers, buildings, and parking.

7 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan
8 Exposition, Auditorium and Office Building Authorities;
9 for general purposes.

10 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center
15 Authority; for grounds, centers, buildings, and parking.

16 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center
17 Authority; for grounds, centers, buildings, and parking.

18 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center
19 Authority; for grounds, centers, buildings, and parking.

20 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center
21 Authority; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City
23 Civic Center Authority; for grounds, centers, buildings,
24 and parking.

25 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan
26 Exposition, Auditorium and Office Building Authority; for

1 grounds, centers, buildings, and parking.

2 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic
3 Center Authority; for grounds, centers, buildings, and
4 parking.

5 (70 ILCS 200/230-35); Civic Center Code; River Forest
6 Metropolitan Exposition, Auditorium and Office Building
7 Authority; for grounds, centers, buildings, and parking.

8 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic
9 Center Authority; for grounds, centers, buildings, and
10 parking.

11 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center
12 Authority; for grounds, centers, buildings, and parking.

13 (70 ILCS 200/255-20); Civic Center Code; Springfield
14 Metropolitan Exposition and Auditorium Authority; for
15 grounds, centers, and parking.

16 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan
17 Exposition, Auditorium and Office Building Authority; for
18 grounds, centers, buildings, and parking.

19 (70 ILCS 200/265-20); Civic Center Code; Vermilion County
20 Metropolitan Exposition, Auditorium and Office Building
21 Authority; for grounds, centers, buildings, and parking.

22 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center
23 Authority; for grounds, centers, buildings, and parking.

24 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic
25 Center Authority; for grounds, centers, buildings, and
26 parking.

1 (70 ILCS 200/280-20); Civic Center Code; Will County
2 Metropolitan Exposition and Auditorium Authority; for
3 grounds, centers, and parking.

4 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority
5 Act; Metropolitan Pier and Exposition Authority; for
6 general purposes, including quick-take power.

7 (70 ILCS 405/22.04); Soil and Water Conservation Districts
8 Act; soil and water conservation districts; for general
9 purposes.

10 (70 ILCS 410/10 and 410/12); Conservation District Act;
11 conservation districts; for open space, wildland, scenic
12 roadway, pathway, outdoor recreation, or other
13 conservation benefits.

14 (70 ILCS 503/25); Chanhute-Rantoul National Aviation Center
15 Redevelopment Commission Act; Chanhute-Rantoul National
16 Aviation Center Redevelopment Commission; for general
17 purposes.

18 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;
19 Fort Sheridan Redevelopment Commission; for general
20 purposes or to carry out comprehensive or redevelopment
21 plans.

22 (70 ILCS 520/8); Southwestern Illinois Development Authority
23 Act; Southwestern Illinois Development Authority; for
24 general purposes, including quick-take power.

25 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;
26 drainage districts; for general purposes.

1 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;
2 corporate authorities; for construction and maintenance of
3 works.

4 (70 ILCS 705/10); Fire Protection District Act; fire
5 protection districts; for general purposes.

6 (70 ILCS 750/20); Flood Prevention District Act; flood
7 prevention districts; for general purposes.

8 (70 ILCS 805/6); Downstate Forest Preserve District Act;
9 certain forest preserve districts; for general purposes.

10 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;
11 certain forest preserve districts; for recreational and
12 cultural facilities.

13 (70 ILCS 810/8); Cook County Forest Preserve District Act;
14 Forest Preserve District of Cook County; for general
15 purposes.

16 (70 ILCS 810/38); Cook County Forest Preserve District Act;
17 Forest Preserve District of Cook County; for recreational
18 facilities.

19 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital
20 districts; for hospitals or hospital facilities.

21 (70 ILCS 915/3); Illinois Medical District Act; Illinois
22 Medical District Commission; for general purposes.

23 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois
24 Medical District Commission; quick-take power for the
25 Illinois State Police Forensic Science Laboratory
26 (obsolete).

1 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;
2 tuberculosis sanitarium districts; for tuberculosis
3 sanitariums.

4 Capital City Downtown Medical District Act; Capital City
5 Downtown Medical District Commission; for general
6 purposes.

7 ~~(70 ILCS 925/20); Mid Illinois Medical District Act;~~
8 ~~Mid Illinois Medical District; for general purposes.~~

9 (70 ILCS 930/20); Mid-America Medical District Act;
10 Mid-America Medical District Commission; for general
11 purposes.

12 (70 ILCS 935/20); Roseland Community Medical District Act;
13 medical district; for general purposes.

14 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito
15 abatement districts; for general purposes.

16 (70 ILCS 1105/8); Museum District Act; museum districts; for
17 general purposes.

18 (70 ILCS 1205/7-1); Park District Code; park districts; for
19 streets and other purposes.

20 (70 ILCS 1205/8-1); Park District Code; park districts; for
21 parks.

22 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park
23 districts; for airports and landing fields.

24 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park
25 districts; for State land abutting public water and
26 certain access rights.

- 1 (70 ILCS 1205/11.1-3); Park District Code; park districts; for
2 harbors.
- 3 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;
4 park districts; for street widening.
- 5 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water
6 Control Act; park districts; for parks, boulevards,
7 driveways, parkways, viaducts, bridges, or tunnels.
- 8 (70 ILCS 1250/2); Park Commissioners Street Control (1889)
9 Act; park districts; for boulevards or driveways.
- 10 (70 ILCS 1290/1); Park District Aquarium and Museum Act;
11 municipalities or park districts; for aquariums or
12 museums.
- 13 (70 ILCS 1305/2); Park District Airport Zoning Act; park
14 districts; for restriction of the height of structures.
- 15 (70 ILCS 1310/5); Park District Elevated Highway Act; park
16 districts; for elevated highways.
- 17 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park
18 District; for parks and other purposes.
- 19 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park
20 District; for parking lots or garages.
- 21 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park
22 District; for harbors.
- 23 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation
24 Act; Lincoln Park Commissioners; for land and interests in
25 land, including riparian rights.
- 26 (70 ILCS 1801/30); Alexander-Cairo Port District Act;

1 Alexander-Cairo Port District; for general purposes.
2 (70 ILCS 1805/8); Havana Regional Port District Act; Havana
3 Regional Port District; for general purposes.
4 (70 ILCS 1810/7); Illinois International Port District Act;
5 Illinois International Port District; for general
6 purposes.
7 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;
8 Illinois Valley Regional Port District; for general
9 purposes.
10 (70 ILCS 1820/4); Jackson-Union Counties Regional Port
11 District Act; Jackson-Union Counties Regional Port
12 District; for removal of airport hazards or reduction of
13 the height of objects or structures.
14 (70 ILCS 1820/5); Jackson-Union Counties Regional Port
15 District Act; Jackson-Union Counties Regional Port
16 District; for general purposes.
17 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet
18 Regional Port District; for removal of airport hazards.
19 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet
20 Regional Port District; for reduction of the height of
21 objects or structures.
22 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet
23 Regional Port District; for removal of hazards from ports
24 and terminals.
25 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet
26 Regional Port District; for general purposes.

1 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;
2 Kaskaskia Regional Port District; for removal of hazards
3 from ports and terminals.

4 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;
5 Kaskaskia Regional Port District; for general purposes.

6 (70 ILCS 1831/30); Massac-Metropolis Port District Act;
7 Massac-Metropolis Port District; for general purposes.

8 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;
9 Mt. Carmel Regional Port District; for removal of airport
10 hazards.

11 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port
12 District; for general purposes.

13 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port
14 District Act; Rock Island Regional Port District and
15 participating municipalities; for general Port District
16 purposes.

17 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca
18 Regional Port District; for removal of airport hazards.

19 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca
20 Regional Port District; for reduction of the height of
21 objects or structures.

22 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca
23 Regional Port District; for general purposes.

24 (70 ILCS 1850/4); Shawneetown Regional Port District Act;
25 Shawneetown Regional Port District; for removal of airport
26 hazards or reduction of the height of objects or

1 structures.

2 (70 ILCS 1850/5); Shawneetown Regional Port District Act;
3 Shawneetown Regional Port District; for general purposes.

4 (70 ILCS 1860/4); Tri-City Regional Port District Act;
5 Tri-City Regional Port District; for removal of airport
6 hazards.

7 (70 ILCS 1860/5); Tri-City Regional Port District Act;
8 Tri-City Regional Port District; for the development of
9 facilities.

10 (70 ILCS 1863/11); Upper Mississippi River International Port
11 District Act; Upper Mississippi River International Port
12 District; for general purposes.

13 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port
14 District; for removal of airport hazards.

15 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port
16 District; for restricting the height of objects or
17 structures.

18 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port
19 District; for the development of facilities.

20 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad
21 Terminal Authority (Chicago); for general purposes.

22 (70 ILCS 2105/9b); River Conservancy Districts Act; river
23 conservancy districts; for general purposes.

24 (70 ILCS 2105/10a); River Conservancy Districts Act; river
25 conservancy districts; for corporate purposes.

26 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary

1 districts; for corporate purposes.

2 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary
3 districts; for improvements and works.

4 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary
5 districts; for access to property.

6 (70 ILCS 2305/8); North Shore Water Reclamation District Act;
7 North Shore Water Reclamation District; for corporate
8 purposes.

9 (70 ILCS 2305/15); North Shore Water Reclamation District Act;
10 North Shore Water Reclamation District; for improvements.

11 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary
12 District of Decatur; for carrying out agreements to sell,
13 convey, or disburse treated wastewater to a private
14 entity.

15 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary
16 districts; for corporate purposes.

17 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary
18 districts; for improvements.

19 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of
20 1917; sanitary districts; for waterworks.

21 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary
22 districts; for public sewer and water utility treatment
23 works.

24 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary
25 districts; for dams or other structures to regulate water
26 flow.

1 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;
2 Metropolitan Water Reclamation District; for corporate
3 purposes.

4 (70 ILCS 2605/16); Metropolitan Water Reclamation District
5 Act; Metropolitan Water Reclamation District; quick-take
6 power for improvements.

7 (70 ILCS 2605/17); Metropolitan Water Reclamation District
8 Act; Metropolitan Water Reclamation District; for bridges.

9 (70 ILCS 2605/35); Metropolitan Water Reclamation District
10 Act; Metropolitan Water Reclamation District; for widening
11 and deepening a navigable stream.

12 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary
13 districts; for corporate purposes.

14 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary
15 districts; for improvements.

16 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of
17 1936; sanitary districts; for drainage systems.

18 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary
19 districts; for dams or other structures to regulate water
20 flow.

21 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary
22 districts; for water supply.

23 (70 ILCS 2805/32l); Sanitary District Act of 1936; sanitary
24 districts; for waterworks.

25 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;
26 Metro-East Sanitary District; for corporate purposes.

1 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;
2 Metro-East Sanitary District; for access to property.

3 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;
4 sanitary districts; for sewerage systems.

5 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;
6 Illinois Sports Facilities Authority; quick-take power for
7 its corporate purposes (obsolete).

8 (70 ILCS 3405/16); Surface Water Protection District Act;
9 surface water protection districts; for corporate
10 purposes.

11 (70 ILCS 3605/7); Metropolitan Transit Authority Act; Chicago
12 Transit Authority; for transportation systems.

13 (70 ILCS 3605/8); Metropolitan Transit Authority Act; Chicago
14 Transit Authority; for general purposes.

15 (70 ILCS 3605/10); Metropolitan Transit Authority Act; Chicago
16 Transit Authority; for general purposes, including
17 railroad property.

18 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;
19 local mass transit districts; for general purposes.

20 (70 ILCS 3615/2.13); Regional Transportation Authority Act;
21 Regional Transportation Authority; for general purposes.

22 (70 ILCS 3705/8 and 3705/12); Public Water District Act;
23 public water districts; for waterworks.

24 (70 ILCS 3705/23a); Public Water District Act; public water
25 districts; for sewerage properties.

26 (70 ILCS 3705/23e); Public Water District Act; public water

1 districts; for combined waterworks and sewerage systems.
2 (70 ILCS 3715/6); Water Authorities Act; water authorities;
3 for facilities to ensure adequate water supply.
4 (70 ILCS 3715/27); Water Authorities Act; water authorities;
5 for access to property.
6 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library
7 trustees; for library buildings.
8 (75 ILCS 16/30-55.80); Public Library District Act of 1991;
9 public library districts; for general purposes.
10 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate
11 authorities of city or park district, or board of park
12 commissioners; for free public library buildings.
13 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;
14 revised 1-8-26.)

15 (Text of Section after amendment by P.A. 104-457)

16 Sec. 15-5-15. Eminent domain powers in ILCS Chapters 70
17 through 75. The following provisions of law may include
18 express grants of the power to acquire property by
19 condemnation or eminent domain:

20 (70 ILCS 5/8.02 and 5/9); Airport Authorities Act; airport
21 authorities; for public airport facilities.

22 (70 ILCS 5/8.05 and 5/9); Airport Authorities Act; airport
23 authorities; for removal of airport hazards.

24 (70 ILCS 5/8.06 and 5/9); Airport Authorities Act; airport

1 authorities; for reduction of the height of objects or
2 structures.

3 (70 ILCS 10/4); Interstate Airport Authorities Act; interstate
4 airport authorities; for general purposes.

5 (70 ILCS 15/3); Kankakee River Valley Area Airport Authority
6 Act; Kankakee River Valley Area Airport Authority; for
7 acquisition of land for airports.

8 (70 ILCS 200/2-20); Civic Center Code; civic center
9 authorities; for grounds, centers, buildings, and parking.

10 (70 ILCS 200/5-35); Civic Center Code; Aledo Civic Center
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/10-15); Civic Center Code; Aurora Metropolitan
13 Exposition, Auditorium and Office Building Authority; for
14 grounds, centers, buildings, and parking.

15 (70 ILCS 200/15-40); Civic Center Code; Benton Civic Center
16 Authority; for grounds, centers, buildings, and parking.

17 (70 ILCS 200/20-15); Civic Center Code; Bloomington Civic
18 Center Authority; for grounds, centers, buildings, and
19 parking.

20 (70 ILCS 200/35-35); Civic Center Code; Brownstown Park
21 District Civic Center Authority; for grounds, centers,
22 buildings, and parking.

23 (70 ILCS 200/40-35); Civic Center Code; Carbondale Civic
24 Center Authority; for grounds, centers, buildings, and
25 parking.

26 (70 ILCS 200/55-60); Civic Center Code; Chicago South Civic

1 Center Authority; for grounds, centers, buildings, and
2 parking.

3 (70 ILCS 200/60-30); Civic Center Code; Collinsville
4 Metropolitan Exposition, Auditorium and Office Building
5 Authority; for grounds, centers, buildings, and parking.

6 (70 ILCS 200/70-35); Civic Center Code; Crystal Lake Civic
7 Center Authority; for grounds, centers, buildings, and
8 parking.

9 (70 ILCS 200/75-20); Civic Center Code; Decatur Metropolitan
10 Exposition, Auditorium and Office Building Authority; for
11 grounds, centers, buildings, and parking.

12 (70 ILCS 200/80-15); Civic Center Code; DuPage County
13 Metropolitan Exposition, Auditorium and Office Building
14 Authority; for grounds, centers, buildings, and parking.

15 (70 ILCS 200/85-35); Civic Center Code; Elgin Metropolitan
16 Exposition, Auditorium and Office Building Authority; for
17 grounds, centers, buildings, and parking.

18 (70 ILCS 200/95-25); Civic Center Code; Herrin Metropolitan
19 Exposition, Auditorium and Office Building Authority; for
20 grounds, centers, buildings, and parking.

21 (70 ILCS 200/110-35); Civic Center Code; Illinois Valley Civic
22 Center Authority; for grounds, centers, buildings, and
23 parking.

24 (70 ILCS 200/115-35); Civic Center Code; Jasper County Civic
25 Center Authority; for grounds, centers, buildings, and
26 parking.

1 (70 ILCS 200/120-25); Civic Center Code; Jefferson County
2 Metropolitan Exposition, Auditorium and Office Building
3 Authority; for grounds, centers, buildings, and parking.

4 (70 ILCS 200/125-15); Civic Center Code; Jo Daviess County
5 Civic Center Authority; for grounds, centers, buildings,
6 and parking.

7 (70 ILCS 200/130-30); Civic Center Code; Katherine Dunham
8 Metropolitan Exposition, Auditorium and Office Building
9 Authority; for grounds, centers, buildings, and parking.

10 (70 ILCS 200/145-35); Civic Center Code; Marengo Civic Center
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/150-35); Civic Center Code; Mason County Civic
13 Center Authority; for grounds, centers, buildings, and
14 parking.

15 (70 ILCS 200/155-15); Civic Center Code; Matteson Metropolitan
16 Civic Center Authority; for grounds, centers, buildings,
17 and parking.

18 (70 ILCS 200/160-35); Civic Center Code; Maywood Civic Center
19 Authority; for grounds, centers, buildings, and parking.

20 (70 ILCS 200/165-35); Civic Center Code; Melrose Park
21 Metropolitan Exposition Auditorium and Office Building
22 Authority; for grounds, centers, buildings, and parking.

23 (70 ILCS 200/170-20); Civic Center Code; certain Metropolitan
24 Exposition, Auditorium and Office Building Authorities;
25 for general purposes.

26 (70 ILCS 200/180-35); Civic Center Code; Normal Civic Center

1 Authority; for grounds, centers, buildings, and parking.
2 (70 ILCS 200/185-15); Civic Center Code; Oak Park Civic Center
3 Authority; for grounds, centers, buildings, and parking.
4 (70 ILCS 200/195-35); Civic Center Code; Ottawa Civic Center
5 Authority; for grounds, centers, buildings, and parking.
6 (70 ILCS 200/200-15); Civic Center Code; Pekin Civic Center
7 Authority; for grounds, centers, buildings, and parking.
8 (70 ILCS 200/205-15); Civic Center Code; Peoria Civic Center
9 Authority; for grounds, centers, buildings, and parking.
10 (70 ILCS 200/210-35); Civic Center Code; Pontiac Civic Center
11 Authority; for grounds, centers, buildings, and parking.
12 (70 ILCS 200/215-15); Civic Center Code; Illinois Quad City
13 Civic Center Authority; for grounds, centers, buildings,
14 and parking.
15 (70 ILCS 200/220-30); Civic Center Code; Quincy Metropolitan
16 Exposition, Auditorium and Office Building Authority; for
17 grounds, centers, buildings, and parking.
18 (70 ILCS 200/225-35); Civic Center Code; Randolph County Civic
19 Center Authority; for grounds, centers, buildings, and
20 parking.
21 (70 ILCS 200/230-35); Civic Center Code; River Forest
22 Metropolitan Exposition, Auditorium and Office Building
23 Authority; for grounds, centers, buildings, and parking.
24 (70 ILCS 200/235-40); Civic Center Code; Riverside Civic
25 Center Authority; for grounds, centers, buildings, and
26 parking.

1 (70 ILCS 200/245-35); Civic Center Code; Salem Civic Center
2 Authority; for grounds, centers, buildings, and parking.

3 (70 ILCS 200/255-20); Civic Center Code; Springfield
4 Metropolitan Exposition and Auditorium Authority; for
5 grounds, centers, and parking.

6 (70 ILCS 200/260-35); Civic Center Code; Sterling Metropolitan
7 Exposition, Auditorium and Office Building Authority; for
8 grounds, centers, buildings, and parking.

9 (70 ILCS 200/265-20); Civic Center Code; Vermilion County
10 Metropolitan Exposition, Auditorium and Office Building
11 Authority; for grounds, centers, buildings, and parking.

12 (70 ILCS 200/270-35); Civic Center Code; Waukegan Civic Center
13 Authority; for grounds, centers, buildings, and parking.

14 (70 ILCS 200/275-35); Civic Center Code; West Frankfort Civic
15 Center Authority; for grounds, centers, buildings, and
16 parking.

17 (70 ILCS 200/280-20); Civic Center Code; Will County
18 Metropolitan Exposition and Auditorium Authority; for
19 grounds, centers, and parking.

20 (70 ILCS 210/5); Metropolitan Pier and Exposition Authority
21 Act; Metropolitan Pier and Exposition Authority; for
22 general purposes, including quick-take power.

23 (70 ILCS 405/22.04); Soil and Water Conservation Districts
24 Act; soil and water conservation districts; for general
25 purposes.

26 (70 ILCS 410/10 and 410/12); Conservation District Act;

1 conservation districts; for open space, wildland, scenic
2 roadway, pathway, outdoor recreation, or other
3 conservation benefits.

4 (70 ILCS 503/25); Chanute-Rantoul National Aviation Center
5 Redevelopment Commission Act; Chanute-Rantoul National
6 Aviation Center Redevelopment Commission; for general
7 purposes.

8 (70 ILCS 507/15); Fort Sheridan Redevelopment Commission Act;
9 Fort Sheridan Redevelopment Commission; for general
10 purposes or to carry out comprehensive or redevelopment
11 plans.

12 (70 ILCS 520/8); Southwestern Illinois Development Authority
13 Act; Southwestern Illinois Development Authority; for
14 general purposes, including quick-take power.

15 (70 ILCS 605/4-17 and 605/5-7); Illinois Drainage Code;
16 drainage districts; for general purposes.

17 (70 ILCS 615/5 and 615/6); Chicago Drainage District Act;
18 corporate authorities; for construction and maintenance of
19 works.

20 (70 ILCS 705/10); Fire Protection District Act; fire
21 protection districts; for general purposes.

22 (70 ILCS 750/20); Flood Prevention District Act; flood
23 prevention districts; for general purposes.

24 (70 ILCS 805/6); Downstate Forest Preserve District Act;
25 certain forest preserve districts; for general purposes.

26 (70 ILCS 805/18.8); Downstate Forest Preserve District Act;

1 certain forest preserve districts; for recreational and
2 cultural facilities.

3 (70 ILCS 810/8); Cook County Forest Preserve District Act;
4 Forest Preserve District of Cook County; for general
5 purposes.

6 (70 ILCS 810/38); Cook County Forest Preserve District Act;
7 Forest Preserve District of Cook County; for recreational
8 facilities.

9 (70 ILCS 910/15 and 910/16); Hospital District Law; hospital
10 districts; for hospitals or hospital facilities.

11 (70 ILCS 915/3); Illinois Medical District Act; Illinois
12 Medical District Commission; for general purposes.

13 (70 ILCS 915/4.5); Illinois Medical District Act; Illinois
14 Medical District Commission; quick-take power for the
15 Illinois State Police Forensic Science Laboratory
16 (obsolete).

17 (70 ILCS 920/5); Tuberculosis Sanitarium District Act;
18 tuberculosis sanitarium districts; for tuberculosis
19 sanitariums.

20 Capital City Downtown Medical District Act; Capital City
21 Downtown Medical District Commission; for general
22 purposes.

23 ~~(70 ILCS 925/20); Mid-Illinois Medical District Act;~~
24 ~~Mid-Illinois Medical District; for general purposes.~~

25 (70 ILCS 930/20); Mid-America Medical District Act;
26 Mid-America Medical District Commission; for general

1 purposes.

2 (70 ILCS 935/20); Roseland Community Medical District Act;
3 medical district; for general purposes.

4 (70 ILCS 1005/7); Mosquito Abatement District Act; mosquito
5 abatement districts; for general purposes.

6 (70 ILCS 1105/8); Museum District Act; museum districts; for
7 general purposes.

8 (70 ILCS 1205/7-1); Park District Code; park districts; for
9 streets and other purposes.

10 (70 ILCS 1205/8-1); Park District Code; park districts; for
11 parks.

12 (70 ILCS 1205/9-2 and 1205/9-4); Park District Code; park
13 districts; for airports and landing fields.

14 (70 ILCS 1205/11-2 and 1205/11-3); Park District Code; park
15 districts; for State land abutting public water and
16 certain access rights.

17 (70 ILCS 1205/11.1-3); Park District Code; park districts; for
18 harbors.

19 (70 ILCS 1225/2); Park Commissioners Land Condemnation Act;
20 park districts; for street widening.

21 (70 ILCS 1230/1 and 1230/1-a); Park Commissioners Water
22 Control Act; park districts; for parks, boulevards,
23 driveways, parkways, viaducts, bridges, or tunnels.

24 (70 ILCS 1250/2); Park Commissioners Street Control (1889)
25 Act; park districts; for boulevards or driveways.

26 (70 ILCS 1290/1); Park District Aquarium and Museum Act;

1 municipalities or park districts; for aquariums or
2 museums.

3 (70 ILCS 1305/2); Park District Airport Zoning Act; park
4 districts; for restriction of the height of structures.

5 (70 ILCS 1310/5); Park District Elevated Highway Act; park
6 districts; for elevated highways.

7 (70 ILCS 1505/15); Chicago Park District Act; Chicago Park
8 District; for parks and other purposes.

9 (70 ILCS 1505/25.1); Chicago Park District Act; Chicago Park
10 District; for parking lots or garages.

11 (70 ILCS 1505/26.3); Chicago Park District Act; Chicago Park
12 District; for harbors.

13 (70 ILCS 1570/5); Lincoln Park Commissioners Land Condemnation
14 Act; Lincoln Park Commissioners; for land and interests in
15 land, including riparian rights.

16 (70 ILCS 1801/30); Alexander-Cairo Port District Act;
17 Alexander-Cairo Port District; for general purposes.

18 (70 ILCS 1805/8); Havana Regional Port District Act; Havana
19 Regional Port District; for general purposes.

20 (70 ILCS 1810/7); Illinois International Port District Act;
21 Illinois International Port District; for general
22 purposes.

23 (70 ILCS 1815/13); Illinois Valley Regional Port District Act;
24 Illinois Valley Regional Port District; for general
25 purposes.

26 (70 ILCS 1820/4); Jackson-Union Counties Regional Port

1 District Act; Jackson-Union Counties Regional Port
2 District; for removal of airport hazards or reduction of
3 the height of objects or structures.

4 (70 ILCS 1820/5); Jackson-Union Counties Regional Port
5 District Act; Jackson-Union Counties Regional Port
6 District; for general purposes.

7 (70 ILCS 1825/4.9); Joliet Regional Port District Act; Joliet
8 Regional Port District; for removal of airport hazards.

9 (70 ILCS 1825/4.10); Joliet Regional Port District Act; Joliet
10 Regional Port District; for reduction of the height of
11 objects or structures.

12 (70 ILCS 1825/4.18); Joliet Regional Port District Act; Joliet
13 Regional Port District; for removal of hazards from ports
14 and terminals.

15 (70 ILCS 1825/5); Joliet Regional Port District Act; Joliet
16 Regional Port District; for general purposes.

17 (70 ILCS 1830/7.1); Kaskaskia Regional Port District Act;
18 Kaskaskia Regional Port District; for removal of hazards
19 from ports and terminals.

20 (70 ILCS 1830/14); Kaskaskia Regional Port District Act;
21 Kaskaskia Regional Port District; for general purposes.

22 (70 ILCS 1831/30); Massac-Metropolis Port District Act;
23 Massac-Metropolis Port District; for general purposes.

24 (70 ILCS 1835/5.10); Mt. Carmel Regional Port District Act;
25 Mt. Carmel Regional Port District; for removal of airport
26 hazards.

1 (70 ILCS 1837/30); Ottawa Port District Act; Ottawa Port
2 District; for general purposes.

3 (70 ILCS 1842/30 and 1842/35); Rock Island Regional Port
4 District Act; Rock Island Regional Port District and
5 participating municipalities; for general Port District
6 purposes.

7 (70 ILCS 1845/4.9); Seneca Regional Port District Act; Seneca
8 Regional Port District; for removal of airport hazards.

9 (70 ILCS 1845/4.10); Seneca Regional Port District Act; Seneca
10 Regional Port District; for reduction of the height of
11 objects or structures.

12 (70 ILCS 1845/5); Seneca Regional Port District Act; Seneca
13 Regional Port District; for general purposes.

14 (70 ILCS 1850/4); Shawneetown Regional Port District Act;
15 Shawneetown Regional Port District; for removal of airport
16 hazards or reduction of the height of objects or
17 structures.

18 (70 ILCS 1850/5); Shawneetown Regional Port District Act;
19 Shawneetown Regional Port District; for general purposes.

20 (70 ILCS 1860/4); Tri-City Regional Port District Act;
21 Tri-City Regional Port District; for removal of airport
22 hazards.

23 (70 ILCS 1860/5); Tri-City Regional Port District Act;
24 Tri-City Regional Port District; for the development of
25 facilities.

26 (70 ILCS 1863/11); Upper Mississippi River International Port

1 District Act; Upper Mississippi River International Port
2 District; for general purposes.

3 (70 ILCS 1865/4.9); Waukegan Port District Act; Waukegan Port
4 District; for removal of airport hazards.

5 (70 ILCS 1865/4.10); Waukegan Port District Act; Waukegan Port
6 District; for restricting the height of objects or
7 structures.

8 (70 ILCS 1865/5); Waukegan Port District Act; Waukegan Port
9 District; for the development of facilities.

10 (70 ILCS 1905/16); Railroad Terminal Authority Act; Railroad
11 Terminal Authority (Chicago); for general purposes.

12 (70 ILCS 2105/9b); River Conservancy Districts Act; river
13 conservancy districts; for general purposes.

14 (70 ILCS 2105/10a); River Conservancy Districts Act; river
15 conservancy districts; for corporate purposes.

16 (70 ILCS 2205/15); Sanitary District Act of 1907; sanitary
17 districts; for corporate purposes.

18 (70 ILCS 2205/18); Sanitary District Act of 1907; sanitary
19 districts; for improvements and works.

20 (70 ILCS 2205/19); Sanitary District Act of 1907; sanitary
21 districts; for access to property.

22 (70 ILCS 2305/8); North Shore Water Reclamation District Act;
23 North Shore Water Reclamation District; for corporate
24 purposes.

25 (70 ILCS 2305/15); North Shore Water Reclamation District Act;
26 North Shore Water Reclamation District; for improvements.

1 (70 ILCS 2405/7.9); Sanitary District Act of 1917; Sanitary
2 District of Decatur; for carrying out agreements to sell,
3 convey, or disburse treated wastewater to a private
4 entity.

5 (70 ILCS 2405/8); Sanitary District Act of 1917; sanitary
6 districts; for corporate purposes.

7 (70 ILCS 2405/15); Sanitary District Act of 1917; sanitary
8 districts; for improvements.

9 (70 ILCS 2405/16.9 and 2405/16.10); Sanitary District Act of
10 1917; sanitary districts; for waterworks.

11 (70 ILCS 2405/17.2); Sanitary District Act of 1917; sanitary
12 districts; for public sewer and water utility treatment
13 works.

14 (70 ILCS 2405/18); Sanitary District Act of 1917; sanitary
15 districts; for dams or other structures to regulate water
16 flow.

17 (70 ILCS 2605/8); Metropolitan Water Reclamation District Act;
18 Metropolitan Water Reclamation District; for corporate
19 purposes.

20 (70 ILCS 2605/16); Metropolitan Water Reclamation District
21 Act; Metropolitan Water Reclamation District; quick-take
22 power for improvements.

23 (70 ILCS 2605/17); Metropolitan Water Reclamation District
24 Act; Metropolitan Water Reclamation District; for bridges.

25 (70 ILCS 2605/35); Metropolitan Water Reclamation District
26 Act; Metropolitan Water Reclamation District; for widening

1 and deepening a navigable stream.

2 (70 ILCS 2805/10); Sanitary District Act of 1936; sanitary
3 districts; for corporate purposes.

4 (70 ILCS 2805/24); Sanitary District Act of 1936; sanitary
5 districts; for improvements.

6 (70 ILCS 2805/26i and 2805/26j); Sanitary District Act of
7 1936; sanitary districts; for drainage systems.

8 (70 ILCS 2805/27); Sanitary District Act of 1936; sanitary
9 districts; for dams or other structures to regulate water
10 flow.

11 (70 ILCS 2805/32k); Sanitary District Act of 1936; sanitary
12 districts; for water supply.

13 (70 ILCS 2805/32l); Sanitary District Act of 1936; sanitary
14 districts; for waterworks.

15 (70 ILCS 2905/2-7); Metro-East Sanitary District Act of 1974;
16 Metro-East Sanitary District; for corporate purposes.

17 (70 ILCS 2905/2-8); Metro-East Sanitary District Act of 1974;
18 Metro-East Sanitary District; for access to property.

19 (70 ILCS 3010/10); Sanitary District Revenue Bond Act;
20 sanitary districts; for sewerage systems.

21 (70 ILCS 3205/12); Illinois Sports Facilities Authority Act;
22 Illinois Sports Facilities Authority; quick-take power for
23 its corporate purposes (obsolete).

24 (70 ILCS 3405/16); Surface Water Protection District Act;
25 surface water protection districts; for corporate
26 purposes.

1 (70 ILCS 3605/7); Chicago Transit Authority Act; Chicago
2 Transit Authority; for transportation systems.

3 (70 ILCS 3605/8); Chicago Transit Authority Act; Chicago
4 Transit Authority; for general purposes.

5 (70 ILCS 3605/10); Chicago Transit Authority Act; Chicago
6 Transit Authority; for general purposes, including
7 railroad property.

8 (70 ILCS 3610/3 and 3610/5); Local Mass Transit District Act;
9 local mass transit districts; for general purposes.

10 (70 ILCS 3615/2.13); Northern Illinois Transit Authority Act;
11 Northern Illinois Transit Authority; for general purposes.

12 (70 ILCS 3705/8 and 3705/12); Public Water District Act;
13 public water districts; for waterworks.

14 (70 ILCS 3705/23a); Public Water District Act; public water
15 districts; for sewerage properties.

16 (70 ILCS 3705/23e); Public Water District Act; public water
17 districts; for combined waterworks and sewerage systems.

18 (70 ILCS 3715/6); Water Authorities Act; water authorities;
19 for facilities to ensure adequate water supply.

20 (70 ILCS 3715/27); Water Authorities Act; water authorities;
21 for access to property.

22 (75 ILCS 5/4-7); Illinois Local Library Act; boards of library
23 trustees; for library buildings.

24 (75 ILCS 16/30-55.80); Public Library District Act of 1991;
25 public library districts; for general purposes.

26 (75 ILCS 65/1 and 65/3); Libraries in Parks Act; corporate

1 authorities of city or park district, or board of park
2 commissioners; for free public library buildings.

3 (Source: 104-435, eff. 11-21-25; 104-454, eff. 12-12-25;
4 104-457, Article 5, Section 5-925, eff. 6-1-26; 104-457,
5 Article 10, Section 10-75, eff. 6-1-26; 104-457, Article 15,
6 Section 15-210, eff. 6-1-26; revised 1-8-26.)

7 ARTICLE 90

8 Section 90-95. No acceleration or delay. Where this Act
9 makes changes in a statute that is represented in this Act by
10 text that is not yet or no longer in effect (for example, a
11 Section represented by multiple versions), the use of that
12 text does not accelerate or delay the taking effect of (i) the
13 changes made by this Act or (ii) provisions derived from any
14 other Public Act.

15 ARTICLE 97

16 Section 97-97. Severability. The provisions of this Act
17 are severable under Section 1.31 of the Statute on Statutes.

18 ARTICLE 99

19 Section 99-99. Effective date. This Act takes effect upon
20 becoming law."