



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB1177

Introduced 1/9/2025, by Rep. Rita Mayfield

SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-10
35 ILCS 105/9
35 ILCS 110/3-10
35 ILCS 110/9
35 ILCS 115/3-10
35 ILCS 115/9
35 ILCS 120/2-10
35 ILCS 120/3

from Ch. 120, par. 439.109

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Imposes a 3.75% surcharge on firearms and firearm component parts. Sets forth provisions concerning the distribution of the proceeds. Effective immediately.

LRB104 04967 HLH 14994 b

1 AN ACT concerning revenue.

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

4 Section 5. The Use Tax Act is amended by changing Sections
5 3-10 and 9 as follows:

6 (35 ILCS 105/3-10)

7 Sec. 3-10. Rate of tax. Unless otherwise provided in this
8 Section, the tax imposed by this Act is at the rate of 6.25% of
9 either the selling price or the fair market value, if any, of
10 the tangible personal property, which, on and after January 1,
11 2025, includes leases of tangible personal property. In all
12 cases where property functionally used or consumed is the same
13 as the property that was purchased at retail, then the tax is
14 imposed on the selling price of the property. In all cases
15 where property functionally used or consumed is a by-product
16 or waste product that has been refined, manufactured, or
17 produced from property purchased at retail, then the tax is
18 imposed on the lower of the fair market value, if any, of the
19 specific property so used in this State or on the selling price
20 of the property purchased at retail. For purposes of this
21 Section "fair market value" means the price at which property
22 would change hands between a willing buyer and a willing
23 seller, neither being under any compulsion to buy or sell and

1 both having reasonable knowledge of the relevant facts. The
2 fair market value shall be established by Illinois sales by
3 the taxpayer of the same property as that functionally used or
4 consumed, or if there are no such sales by the taxpayer, then
5 comparable sales or purchases of property of like kind and
6 character in Illinois.

7 Beginning on July 1, 2000 and through December 31, 2000,
8 with respect to motor fuel, as defined in Section 1.1 of the
9 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
10 the Use Tax Act, the tax is imposed at the rate of 1.25%.

11 Beginning on August 6, 2010 through August 15, 2010, and
12 beginning again on August 5, 2022 through August 14, 2022,
13 with respect to sales tax holiday items as defined in Section
14 3-6 of this Act, the tax is imposed at the rate of 1.25%.

15 With respect to gasohol, the tax imposed by this Act
16 applies to (i) 70% of the proceeds of sales made on or after
17 January 1, 1990, and before July 1, 2003, (ii) 80% of the
18 proceeds of sales made on or after July 1, 2003 and on or
19 before July 1, 2017, (iii) 100% of the proceeds of sales made
20 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
21 the proceeds of sales made on or after January 1, 2024 and on
22 or before December 31, 2028, and (v) 100% of the proceeds of
23 sales made after December 31, 2028. If, at any time, however,
24 the tax under this Act on sales of gasohol is imposed at the
25 rate of 1.25%, then the tax imposed by this Act applies to 100%
26 of the proceeds of sales of gasohol made during that time.

1 With respect to mid-range ethanol blends, the tax imposed
2 by this Act applies to (i) 80% of the proceeds of sales made on
3 or after January 1, 2024 and on or before December 31, 2028 and
4 (ii) 100% of the proceeds of sales made thereafter. If, at any
5 time, however, the tax under this Act on sales of mid-range
6 ethanol blends is imposed at the rate of 1.25%, then the tax
7 imposed by this Act applies to 100% of the proceeds of sales of
8 mid-range ethanol blends made during that time.

9 With respect to majority blended ethanol fuel, the tax
10 imposed by this Act does not apply to the proceeds of sales
11 made on or after July 1, 2003 and on or before December 31,
12 2028 but applies to 100% of the proceeds of sales made
13 thereafter.

14 With respect to biodiesel blends with no less than 1% and
15 no more than 10% biodiesel, the tax imposed by this Act applies
16 to (i) 80% of the proceeds of sales made on or after July 1,
17 2003 and on or before December 31, 2018 and (ii) 100% of the
18 proceeds of sales made after December 31, 2018 and before
19 January 1, 2024. On and after January 1, 2024 and on or before
20 December 31, 2030, the taxation of biodiesel, renewable
21 diesel, and biodiesel blends shall be as provided in Section
22 3-5.1. If, at any time, however, the tax under this Act on
23 sales of biodiesel blends with no less than 1% and no more than
24 10% biodiesel is imposed at the rate of 1.25%, then the tax
25 imposed by this Act applies to 100% of the proceeds of sales of
26 biodiesel blends with no less than 1% and no more than 10%

1 biodiesel made during that time.

2 With respect to biodiesel and biodiesel blends with more
3 than 10% but no more than 99% biodiesel, the tax imposed by
4 this Act does not apply to the proceeds of sales made on or
5 after July 1, 2003 and on or before December 31, 2023. On and
6 after January 1, 2024 and on or before December 31, 2030, the
7 taxation of biodiesel, renewable diesel, and biodiesel blends
8 shall be as provided in Section 3-5.1.

9 Until July 1, 2022 and from July 1, 2023 through December
10 31, 2025, with respect to food for human consumption that is to
11 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, and food that has been prepared for
14 immediate consumption), the tax is imposed at the rate of 1%.
15 Beginning on July 1, 2022 and until July 1, 2023, with respect
16 to food for human consumption that is to be consumed off the
17 premises where it is sold (other than alcoholic beverages,
18 food consisting of or infused with adult use cannabis, soft
19 drinks, and food that has been prepared for immediate
20 consumption), the tax is imposed at the rate of 0%. On and
21 after January 1, 2026, food for human consumption that is to be
22 consumed off the premises where it is sold (other than
23 alcoholic beverages, food consisting of or infused with adult
24 use cannabis, soft drinks, candy, and food that has been
25 prepared for immediate consumption) is exempt from the tax
26 imposed by this Act.

1 With respect to prescription and nonprescription
2 medicines, drugs, medical appliances, products classified as
3 Class III medical devices by the United States Food and Drug
4 Administration that are used for cancer treatment pursuant to
5 a prescription, as well as any accessories and components
6 related to those devices, modifications to a motor vehicle for
7 the purpose of rendering it usable by a person with a
8 disability, and insulin, blood sugar testing materials,
9 syringes, and needles used by human diabetics, the tax is
10 imposed at the rate of 1%. For the purposes of this Section,
11 until September 1, 2009: the term "soft drinks" means any
12 complete, finished, ready-to-use, non-alcoholic drink, whether
13 carbonated or not, including, but not limited to, soda water,
14 cola, fruit juice, vegetable juice, carbonated water, and all
15 other preparations commonly known as soft drinks of whatever
16 kind or description that are contained in any closed or sealed
17 bottle, can, carton, or container, regardless of size; but
18 "soft drinks" does not include coffee, tea, non-carbonated
19 water, infant formula, milk or milk products as defined in the
20 Grade A Pasteurized Milk and Milk Products Act, or drinks
21 containing 50% or more natural fruit or vegetable juice.

22 Notwithstanding any other provisions of this Act,
23 beginning September 1, 2009, "soft drinks" means non-alcoholic
24 beverages that contain natural or artificial sweeteners. "Soft
25 drinks" does not include beverages that contain milk or milk
26 products, soy, rice or similar milk substitutes, or greater

1 than 50% of vegetable or fruit juice by volume.

2 Until August 1, 2009, and notwithstanding any other
3 provisions of this Act, "food for human consumption that is to
4 be consumed off the premises where it is sold" includes all
5 food sold through a vending machine, except soft drinks and
6 food products that are dispensed hot from a vending machine,
7 regardless of the location of the vending machine. Beginning
8 August 1, 2009, and notwithstanding any other provisions of
9 this Act, "food for human consumption that is to be consumed
10 off the premises where it is sold" includes all food sold
11 through a vending machine, except soft drinks, candy, and food
12 products that are dispensed hot from a vending machine,
13 regardless of the location of the vending machine.

14 Notwithstanding any other provisions of this Act,
15 beginning September 1, 2009, "food for human consumption that
16 is to be consumed off the premises where it is sold" does not
17 include candy. For purposes of this Section, "candy" means a
18 preparation of sugar, honey, or other natural or artificial
19 sweeteners in combination with chocolate, fruits, nuts or
20 other ingredients or flavorings in the form of bars, drops, or
21 pieces. "Candy" does not include any preparation that contains
22 flour or requires refrigeration.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "nonprescription medicines and
25 drugs" does not include grooming and hygiene products. For
26 purposes of this Section, "grooming and hygiene products"

1 includes, but is not limited to, soaps and cleaning solutions,
2 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
3 lotions and screens, unless those products are available by
4 prescription only, regardless of whether the products meet the
5 definition of "over-the-counter-drugs". For the purposes of
6 this paragraph, "over-the-counter-drug" means a drug for human
7 use that contains a label that identifies the product as a drug
8 as required by 21 CFR 201.66. The "over-the-counter-drug"
9 label includes:

10 (A) a "Drug Facts" panel; or

11 (B) a statement of the "active ingredient(s)" with a
12 list of those ingredients contained in the compound,
13 substance or preparation.

14 Beginning on January 1, 2014 (the effective date of Public
15 Act 98-122), "prescription and nonprescription medicines and
16 drugs" includes medical cannabis purchased from a registered
17 dispensing organization under the Compassionate Use of Medical
18 Cannabis Program Act.

19 As used in this Section, "adult use cannabis" means
20 cannabis subject to tax under the Cannabis Cultivation
21 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
22 and does not include cannabis subject to tax under the
23 Compassionate Use of Medical Cannabis Program Act.

24 If the property that is purchased at retail from a
25 retailer is acquired outside Illinois and used outside
26 Illinois before being brought to Illinois for use here and is

1 taxable under this Act, the "selling price" on which the tax is
2 computed shall be reduced by an amount that represents a
3 reasonable allowance for depreciation for the period of prior
4 out-of-state use. No depreciation is allowed in cases where
5 the tax under this Act is imposed on lease receipts.

6 Beginning January 1, 2026, in addition to all other rates
7 of tax imposed under this Act, a surcharge of 3.75% is imposed
8 on the selling price of (i) each firearm purchased in the State
9 and (ii) each firearm component part that is purchased in the
10 State and sold separately from the firearm. "Firearm" has the
11 meaning ascribed to that term in Section 1.1 of the Firearm
12 Owners Identification Card Act.

13 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
14 Section 20-5, eff. 4-19-22; 102-700, Article 60, Section
15 60-15, eff. 4-19-22; 102-700, Article 65, Section 65-5, eff.
16 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
17 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

18 (35 ILCS 105/9)

19 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
20 and trailers that are required to be registered with an agency
21 of this State, each retailer required or authorized to collect
22 the tax imposed by this Act shall pay to the Department the
23 amount of such tax (except as otherwise provided) at the time
24 when he is required to file his return for the period during
25 which such tax was collected, less a discount of 2.1% prior to

1 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
2 per calendar year, whichever is greater, which is allowed to
3 reimburse the retailer for expenses incurred in collecting the
4 tax, keeping records, preparing and filing returns, remitting
5 the tax and supplying data to the Department on request.
6 Beginning with returns due on or after January 1, 2025, the
7 discount allowed in this Section, the Retailers' Occupation
8 Tax Act, the Service Occupation Tax Act, and the Service Use
9 Tax Act, including any local tax administered by the
10 Department and reported on the same return, shall not exceed
11 \$1,000 per month in the aggregate for returns other than
12 transaction returns filed during the month. When determining
13 the discount allowed under this Section, retailers shall
14 include the amount of tax that would have been due at the 6.25%
15 rate but for the 1.25% rate imposed on sales tax holiday items
16 under Public Act 102-700. The discount under this Section is
17 not allowed for the 1.25% portion of taxes paid on aviation
18 fuel that is subject to the revenue use requirements of 49
19 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining the
20 discount allowed under this Section, retailers shall include
21 the amount of tax that would have been due at the 1% rate but
22 for the 0% rate imposed under Public Act 102-700. In the case
23 of retailers who report and pay the tax on a transaction by
24 transaction basis, as provided in this Section, such discount
25 shall be taken with each such tax remittance instead of when
26 such retailer files his periodic return, but, beginning with

1 returns due on or after January 1, 2025, the discount allowed
2 under this Section and the Retailers' Occupation Tax Act,
3 including any local tax administered by the Department and
4 reported on the same transaction return, shall not exceed
5 \$1,000 per month for all transaction returns filed during the
6 month. The discount allowed under this Section is allowed only
7 for returns that are filed in the manner required by this Act.
8 The Department may disallow the discount for retailers whose
9 certificate of registration is revoked at the time the return
10 is filed, but only if the Department's decision to revoke the
11 certificate of registration has become final. A retailer need
12 not remit that part of any tax collected by him to the extent
13 that he is required to remit and does remit the tax imposed by
14 the Retailers' Occupation Tax Act, with respect to the sale of
15 the same property.

16 Where such tangible personal property is sold under a
17 conditional sales contract, or under any other form of sale
18 wherein the payment of the principal sum, or a part thereof, is
19 extended beyond the close of the period for which the return is
20 filed, the retailer, in collecting the tax (except as to motor
21 vehicles, watercraft, aircraft, and trailers that are required
22 to be registered with an agency of this State), may collect for
23 each tax return period, only the tax applicable to that part of
24 the selling price actually received during such tax return
25 period.

26 In the case of leases, except as otherwise provided in

1 this Act, the lessor, in collecting the tax, may collect for
2 each tax return period, only the tax applicable to that part of
3 the selling price actually received during such tax return
4 period.

5 Except as provided in this Section, on or before the
6 twentieth day of each calendar month, such retailer shall file
7 a return for the preceding calendar month. Such return shall
8 be filed on forms prescribed by the Department and shall
9 furnish such information as the Department may reasonably
10 require. The return shall include the gross receipts on food
11 for human consumption that is to be consumed off the premises
12 where it is sold (other than alcoholic beverages, food
13 consisting of or infused with adult use cannabis, soft drinks,
14 and food that has been prepared for immediate consumption)
15 which were received during the preceding calendar month,
16 quarter, or year, as appropriate, and upon which tax would
17 have been due but for the 0% rate imposed under Public Act
18 102-700. The return shall also include the amount of tax that
19 would have been due on food for human consumption that is to be
20 consumed off the premises where it is sold (other than
21 alcoholic beverages, food consisting of or infused with adult
22 use cannabis, soft drinks, and food that has been prepared for
23 immediate consumption) but for the 0% rate imposed under
24 Public Act 102-700.

25 On and after January 1, 2018, except for returns required
26 to be filed prior to January 1, 2023 for motor vehicles,

1 watercraft, aircraft, and trailers that are required to be
2 registered with an agency of this State, with respect to
3 retailers whose annual gross receipts average \$20,000 or more,
4 all returns required to be filed pursuant to this Act shall be
5 filed electronically. On and after January 1, 2023, with
6 respect to retailers whose annual gross receipts average
7 \$20,000 or more, all returns required to be filed pursuant to
8 this Act, including, but not limited to, returns for motor
9 vehicles, watercraft, aircraft, and trailers that are required
10 to be registered with an agency of this State, shall be filed
11 electronically. Retailers who demonstrate that they do not
12 have access to the Internet or demonstrate hardship in filing
13 electronically may petition the Department to waive the
14 electronic filing requirement.

15 The Department may require returns to be filed on a
16 quarterly basis. If so required, a return for each calendar
17 quarter shall be filed on or before the twentieth day of the
18 calendar month following the end of such calendar quarter. The
19 taxpayer shall also file a return with the Department for each
20 of the first two months of each calendar quarter, on or before
21 the twentieth day of the following calendar month, stating:

- 22 1. The name of the seller;
- 23 2. The address of the principal place of business from
24 which he engages in the business of selling tangible
25 personal property at retail in this State;
- 26 3. The total amount of taxable receipts received by

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

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

7 5. The amount of tax due;

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

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

11 Each retailer required or authorized to collect the tax
12 imposed by this Act on aviation fuel sold at retail in this
13 State during the preceding calendar month shall, instead of
14 reporting and paying tax on aviation fuel as otherwise
15 required by this Section, report and pay such tax on a separate
16 aviation fuel tax return. The requirements related to the
17 return shall be as otherwise provided in this Section.
18 Notwithstanding any other provisions of this Act to the
19 contrary, retailers collecting tax on aviation fuel shall file
20 all aviation fuel tax returns and shall make all aviation fuel
21 tax payments by electronic means in the manner and form
22 required by the Department. For purposes of this Section,
23 "aviation fuel" means jet fuel and aviation gasoline.

24 If a taxpayer fails to sign a return within 30 days after
25 the proper notice and demand for signature by the Department,
26 the return shall be considered valid and any amount shown to be

1 due on the return shall be deemed assessed.

2 Notwithstanding any other provision of this Act to the
3 contrary, retailers subject to tax on cannabis shall file all
4 cannabis tax returns and shall make all cannabis tax payments
5 by electronic means in the manner and form required by the
6 Department.

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

1 immediately preceding calendar year divided by 12. Beginning
2 on October 1, 2002, a taxpayer who has a tax liability in the
3 amount set forth in subsection (b) of Section 2505-210 of the
4 Department of Revenue Law shall make all payments required by
5 rules of the Department by electronic funds transfer.

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

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

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

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

21 Before October 1, 2000, if the taxpayer's average monthly
22 tax liability to the Department under this Act, the Retailers'
23 Occupation Tax Act, the Service Occupation Tax Act, the
24 Service Use Tax Act was \$10,000 or more during the preceding 4
25 complete calendar quarters, he shall file a return with the
26 Department each month by the 20th day of the month next

1 following the month during which such tax liability is
2 incurred and shall make payments to the Department on or
3 before the 7th, 15th, 22nd and last day of the month during
4 which such liability is incurred. On and after October 1,
5 2000, if the taxpayer's average monthly tax liability to the
6 Department under this Act, the Retailers' Occupation Tax Act,
7 the Service Occupation Tax Act, and the Service Use Tax Act was
8 \$20,000 or more during the preceding 4 complete calendar
9 quarters, he shall file a return with the Department each
10 month by the 20th day of the month next following the month
11 during which such tax liability is incurred and shall make
12 payment to the Department on or before the 7th, 15th, 22nd and
13 last day of the month during which such liability is incurred.
14 If the month during which such tax liability is incurred began
15 prior to January 1, 1985, each payment shall be in an amount
16 equal to 1/4 of the taxpayer's actual liability for the month
17 or an amount set by the Department not to exceed 1/4 of the
18 average monthly liability of the taxpayer to the Department
19 for the preceding 4 complete calendar quarters (excluding the
20 month of highest liability and the month of lowest liability
21 in such 4 quarter period). If the month during which such tax
22 liability is incurred begins on or after January 1, 1985, and
23 prior to January 1, 1987, each payment shall be in an amount
24 equal to 22.5% of the taxpayer's actual liability for the
25 month or 27.5% of the taxpayer's liability for the same
26 calendar month of the preceding year. If the month during

1 which such tax liability is incurred begins on or after
2 January 1, 1987, and prior to January 1, 1988, each payment
3 shall be in an amount equal to 22.5% of the taxpayer's actual
4 liability for the month or 26.25% of the taxpayer's liability
5 for the same calendar month of the preceding year. If the month
6 during which such tax liability is incurred begins on or after
7 January 1, 1988, and prior to January 1, 1989, or begins on or
8 after January 1, 1996, each payment shall be in an amount equal
9 to 22.5% of the taxpayer's actual liability for the month or
10 25% of the taxpayer's liability for the same calendar month of
11 the preceding year. If the month during which such tax
12 liability is incurred begins on or after January 1, 1989, and
13 prior to January 1, 1996, each payment shall be in an amount
14 equal to 22.5% of the taxpayer's actual liability for the
15 month or 25% of the taxpayer's liability for the same calendar
16 month of the preceding year or 100% of the taxpayer's actual
17 liability for the quarter monthly reporting period. The amount
18 of such quarter monthly payments shall be credited against the
19 final tax liability of the taxpayer's return for that month.
20 Before October 1, 2000, once applicable, the requirement of
21 the making of quarter monthly payments to the Department shall
22 continue until such taxpayer's average monthly liability to
23 the Department during the preceding 4 complete calendar
24 quarters (excluding the month of highest liability and the
25 month of lowest liability) is less than \$9,000, or until such
26 taxpayer's average monthly liability to the Department as

1 computed for each calendar quarter of the 4 preceding complete
2 calendar quarter period is less than \$10,000. However, if a
3 taxpayer can show the Department that a substantial change in
4 the taxpayer's business has occurred which causes the taxpayer
5 to anticipate that his average monthly tax liability for the
6 reasonably foreseeable future will fall below the \$10,000
7 threshold stated above, then such taxpayer may petition the
8 Department for change in such taxpayer's reporting status. On
9 and after October 1, 2000, once applicable, the requirement of
10 the making of quarter monthly payments to the Department shall
11 continue until such taxpayer's average monthly liability to
12 the Department during the preceding 4 complete calendar
13 quarters (excluding the month of highest liability and the
14 month of lowest liability) is less than \$19,000 or until such
15 taxpayer's average monthly liability to the Department as
16 computed for each calendar quarter of the 4 preceding complete
17 calendar quarter period is less than \$20,000. However, if a
18 taxpayer can show the Department that a substantial change in
19 the taxpayer's business has occurred which causes the taxpayer
20 to anticipate that his average monthly tax liability for the
21 reasonably foreseeable future will fall below the \$20,000
22 threshold stated above, then such taxpayer may petition the
23 Department for a change in such taxpayer's reporting status.
24 The Department shall change such taxpayer's reporting status
25 unless it finds that such change is seasonal in nature and not
26 likely to be long term. Quarter monthly payment status shall

1 be determined under this paragraph as if the rate reduction to
2 1.25% in Public Act 102-700 on sales tax holiday items had not
3 occurred. For quarter monthly payments due on or after July 1,
4 2023 and through June 30, 2024, "25% of the taxpayer's
5 liability for the same calendar month of the preceding year"
6 shall be determined as if the rate reduction to 1.25% in Public
7 Act 102-700 on sales tax holiday items had not occurred.
8 Quarter monthly payment status shall be determined under this
9 paragraph as if the rate reduction to 0% in Public Act 102-700
10 on food for human consumption that is to be consumed off the
11 premises where it is sold (other than alcoholic beverages,
12 food consisting of or infused with adult use cannabis, soft
13 drinks, and food that has been prepared for immediate
14 consumption) had not occurred. For quarter monthly payments
15 due under this paragraph on or after July 1, 2023 and through
16 June 30, 2024, "25% of the taxpayer's liability for the same
17 calendar month of the preceding year" shall be determined as
18 if the rate reduction to 0% in Public Act 102-700 had not
19 occurred. If any such quarter monthly payment is not paid at
20 the time or in the amount required by this Section, then the
21 taxpayer shall be liable for penalties and interest on the
22 difference between the minimum amount due and the amount of
23 such quarter monthly payment actually and timely paid, except
24 insofar as the taxpayer has previously made payments for that
25 month to the Department in excess of the minimum payments
26 previously due as provided in this Section. The Department

1 shall make reasonable rules and regulations to govern the
2 quarter monthly payment amount and quarter monthly payment
3 dates for taxpayers who file on other than a calendar monthly
4 basis.

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

1 all or any part of the credit taken was not actually due to the
2 taxpayer, the taxpayer's vendor's discount shall be reduced,
3 if necessary, to reflect the difference between the credit
4 taken and that actually due, and the taxpayer shall be liable
5 for penalties and interest on such difference.

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

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

23 Such quarter annual and annual returns, as to form and
24 substance, shall be subject to the same requirements as
25 monthly returns.

26 Notwithstanding any other provision in this Act concerning

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

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

1 a Class 2, Class 3, or Class 4 watercraft as defined in Section
2 3-2 of the Boat Registration and Safety Act, a personal
3 watercraft, or any boat equipped with an inboard motor.

4 In addition, with respect to motor vehicles, watercraft,
5 aircraft, and trailers that are required to be registered with
6 an agency of this State, every person who is engaged in the
7 business of leasing or renting such items and who, in
8 connection with such business, sells any such item to a
9 retailer for the purpose of resale is, notwithstanding any
10 other provision of this Section to the contrary, authorized to
11 meet the return-filing requirement of this Act by reporting
12 the transfer of all the aircraft, watercraft, motor vehicles,
13 or trailers transferred for resale during a month to the
14 Department on the same uniform invoice-transaction reporting
15 return form on or before the 20th of the month following the
16 month in which the transfer takes place. Notwithstanding any
17 other provision of this Act to the contrary, all returns filed
18 under this paragraph must be filed by electronic means in the
19 manner and form as required by the Department.

20 The transaction reporting return in the case of motor
21 vehicles or trailers that are required to be registered with
22 an agency of this State, shall be the same document as the
23 Uniform Invoice referred to in Section 5-402 of the Illinois
24 Vehicle Code and must show the name and address of the seller;
25 the name and address of the purchaser; the amount of the
26 selling price including the amount allowed by the retailer for

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

15 The transaction reporting return in the case of watercraft
16 and aircraft must show the name and address of the seller; the
17 name and address of the purchaser; the amount of the selling
18 price including the amount allowed by the retailer for
19 traded-in property, if any; the amount allowed by the retailer
20 for the traded-in tangible personal property, if any, to the
21 extent to which Section 2 of this Act allows an exemption for
22 the value of traded-in property; the balance payable after
23 deducting such trade-in allowance from the total selling
24 price; the amount of tax due from the retailer with respect to
25 such transaction; the amount of tax collected from the
26 purchaser by the retailer on such transaction (or satisfactory

1 evidence that such tax is not due in that particular instance,
2 if that is claimed to be the fact); the place and date of the
3 sale, a sufficient identification of the property sold, and
4 such other information as the Department may reasonably
5 require.

6 Such transaction reporting return shall be filed not later
7 than 20 days after the date of delivery of the item that is
8 being sold, but may be filed by the retailer at any time sooner
9 than that if he chooses to do so. The transaction reporting
10 return and tax remittance or proof of exemption from the tax
11 that is imposed by this Act may be transmitted to the
12 Department by way of the State agency with which, or State
13 officer with whom, the tangible personal property must be
14 titled or registered (if titling or registration is required)
15 if the Department and such agency or State officer determine
16 that this procedure will expedite the processing of
17 applications for title or registration.

18 With each such transaction reporting return, the retailer
19 shall remit the proper amount of tax due (or shall submit
20 satisfactory evidence that the sale is not taxable if that is
21 the case), to the Department or its agents, whereupon the
22 Department shall issue, in the purchaser's name, a tax receipt
23 (or a certificate of exemption if the Department is satisfied
24 that the particular sale is tax exempt) which such purchaser
25 may submit to the agency with which, or State officer with
26 whom, he must title or register the tangible personal property

1 that is involved (if titling or registration is required) in
2 support of such purchaser's application for an Illinois
3 certificate or other evidence of title or registration to such
4 tangible personal property.

5 No retailer's failure or refusal to remit tax under this
6 Act precludes a user, who has paid the proper tax to the
7 retailer, from obtaining his certificate of title or other
8 evidence of title or registration (if titling or registration
9 is required) upon satisfying the Department that such user has
10 paid the proper tax (if tax is due) to the retailer. The
11 Department shall adopt appropriate rules to carry out the
12 mandate of this paragraph.

13 If the user who would otherwise pay tax to the retailer
14 wants the transaction reporting return filed and the payment
15 of tax or proof of exemption made to the Department before the
16 retailer is willing to take these actions and such user has not
17 paid the tax to the retailer, such user may certify to the fact
18 of such delay by the retailer, and may (upon the Department
19 being satisfied of the truth of such certification) transmit
20 the information required by the transaction reporting return
21 and the remittance for tax or proof of exemption directly to
22 the Department and obtain his tax receipt or exemption
23 determination, in which event the transaction reporting return
24 and tax remittance (if a tax payment was required) shall be
25 credited by the Department to the proper retailer's account
26 with the Department, but without the vendor's discount

1 provided for in this Section being allowed. When the user pays
2 the tax directly to the Department, he shall pay the tax in the
3 same amount and in the same form in which it would be remitted
4 if the tax had been remitted to the Department by the retailer.

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

21 Any retailer filing a return under this Section shall also
22 include (for the purpose of paying tax thereon) the total tax
23 covered by such return upon the selling price of tangible
24 personal property purchased by him at retail from a retailer,
25 but as to which the tax imposed by this Act was not collected
26 from the retailer filing such return, and such retailer shall

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

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

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

14 Beginning January 1, 1990, each month the Department shall
15 pay into the State and Local Sales Tax Reform Fund, a special
16 fund in the State Treasury which is hereby created, the net
17 revenue realized for the preceding month from the 1% tax
18 imposed under this Act.

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

26 Beginning January 1, 1990, each month the Department shall

1 pay into the State and Local Sales Tax Reform Fund, a special
2 fund in the State Treasury, 20% of the net revenue realized for
3 the preceding month from the 6.25% general rate on the selling
4 price of tangible personal property, other than (i) tangible
5 personal property which is purchased outside Illinois at
6 retail from a retailer and which is titled or registered by an
7 agency of this State's government and (ii) aviation fuel sold
8 on or after December 1, 2019. This exception for aviation fuel
9 only applies for so long as the revenue use requirements of 49
10 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

11 Beginning February 1, 2026, each month the Department
12 shall pay into the State and Local Sales Tax Reform Fund 20% of
13 the net revenue realized for the preceding month from the
14 3.75% surcharge imposed on the selling price of firearms and
15 firearm component parts.

16 For aviation fuel sold on or after December 1, 2019, each
17 month the Department shall pay into the State Aviation Program
18 Fund 20% of the net revenue realized for the preceding month
19 from the 6.25% general rate on the selling price of aviation
20 fuel, less an amount estimated by the Department to be
21 required for refunds of the 20% portion of the tax on aviation
22 fuel under this Act, which amount shall be deposited into the
23 Aviation Fuel Sales Tax Refund Fund. The Department shall only
24 pay moneys into the State Aviation Program Fund and the
25 Aviation Fuels Sales Tax Refund Fund under this Act for so long
26 as the revenue use requirements of 49 U.S.C. 47107(b) and 49

1 U.S.C. 47133 are binding on the State.

2 Beginning August 1, 2000, each month the Department shall
3 pay into the State and Local Sales Tax Reform Fund 100% of the
4 net revenue realized for the preceding month from the 1.25%
5 rate on the selling price of motor fuel and gasohol. If, in any
6 month, the tax on sales tax holiday items, as defined in
7 Section 3-6, is imposed at the rate of 1.25%, then the
8 Department shall pay 100% of the net revenue realized for that
9 month from the 1.25% rate on the selling price of sales tax
10 holiday items into the State and Local Sales Tax Reform Fund.

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

18 Beginning October 1, 2009, each month the Department shall
19 pay into the Capital Projects Fund an amount that is equal to
20 an amount estimated by the Department to represent 80% of the
21 net revenue realized for the preceding month from the sale of
22 candy, grooming and hygiene products, and soft drinks that had
23 been taxed at a rate of 1% prior to September 1, 2009 but that
24 are now taxed at 6.25%.

25 Beginning July 1, 2011, each month the Department shall
26 pay into the Clean Air Act Permit Fund 80% of the net revenue

1 realized for the preceding month from the 6.25% general rate
2 on the selling price of sorbents used in Illinois in the
3 process of sorbent injection as used to comply with the
4 Environmental Protection Act or the federal Clean Air Act, but
5 the total payment into the Clean Air Act Permit Fund under this
6 Act and the Retailers' Occupation Tax Act shall not exceed
7 \$2,000,000 in any fiscal year.

8 Beginning July 1, 2013, each month the Department shall
9 pay into the Underground Storage Tank Fund from the proceeds
10 collected under this Act, the Service Use Tax Act, the Service
11 Occupation Tax Act, and the Retailers' Occupation Tax Act an
12 amount equal to the average monthly deficit in the Underground
13 Storage Tank Fund during the prior year, as certified annually
14 by the Illinois Environmental Protection Agency, but the total
15 payment into the Underground Storage Tank Fund under this Act,
16 the Service Use Tax Act, the Service Occupation Tax Act, and
17 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
18 in any State fiscal year. As used in this paragraph, the
19 "average monthly deficit" shall be equal to the difference
20 between the average monthly claims for payment by the fund and
21 the average monthly revenues deposited into the fund,
22 excluding payments made pursuant to this paragraph.

23 Beginning July 1, 2015, of the remainder of the moneys
24 received by the Department under this Act, the Service Use Tax
25 Act, the Service Occupation Tax Act, and the Retailers'
26 Occupation Tax Act, each month the Department shall deposit

1 \$500,000 into the State Crime Laboratory Fund.

2 Of the remainder of the moneys received by the Department
3 pursuant to this Act, (a) 1.75% thereof shall be paid into the
4 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
5 and after July 1, 1989, 3.8% thereof shall be paid into the
6 Build Illinois Fund; provided, however, that if in any fiscal
7 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
8 may be, of the moneys received by the Department and required
9 to be paid into the Build Illinois Fund pursuant to Section 3
10 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
11 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
12 Service Occupation Tax Act, such Acts being hereinafter called
13 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
14 may be, of moneys being hereinafter called the "Tax Act
15 Amount", and (2) the amount transferred to the Build Illinois
16 Fund from the State and Local Sales Tax Reform Fund shall be
17 less than the Annual Specified Amount (as defined in Section 3
18 of the Retailers' Occupation Tax Act), an amount equal to the
19 difference shall be immediately paid into the Build Illinois
20 Fund from other moneys received by the Department pursuant to
21 the Tax Acts; and further provided, that if on the last
22 business day of any month the sum of (1) the Tax Act Amount
23 required to be deposited into the Build Illinois Bond Account
24 in the Build Illinois Fund during such month and (2) the amount
25 transferred during such month to the Build Illinois Fund from
26 the State and Local Sales Tax Reform Fund shall have been less

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

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

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

1 Expansion Project Fund in the specified fiscal years.

2	Fiscal Year	Total Deposit
3	1993	\$0
4	1994	53,000,000
5	1995	58,000,000
6	1996	61,000,000
7	1997	64,000,000
8	1998	68,000,000
9	1999	71,000,000
10	2000	75,000,000
11	2001	80,000,000
12	2002	93,000,000
13	2003	99,000,000
14	2004	103,000,000
15	2005	108,000,000
16	2006	113,000,000
17	2007	119,000,000
18	2008	126,000,000
19	2009	132,000,000
20	2010	139,000,000
21	2011	146,000,000
22	2012	153,000,000
23	2013	161,000,000
24	2014	170,000,000
25	2015	179,000,000
26	2016	189,000,000

1	2017	199,000,000
2	2018	210,000,000
3	2019	221,000,000
4	2020	233,000,000
5	2021	300,000,000
6	2022	300,000,000
7	2023	300,000,000
8	2024	300,000,000
9	2025	300,000,000
10	2026	300,000,000
11	2027	375,000,000
12	2028	375,000,000
13	2029	375,000,000
14	2030	375,000,000
15	2031	375,000,000
16	2032	375,000,000
17	2033	375,000,000
18	2034	375,000,000
19	2035	375,000,000
20	2036	450,000,000

21 and
22 each fiscal year
23 thereafter that bonds
24 are outstanding under
25 Section 13.2 of the
26 Metropolitan Pier and

1 Exposition Authority Act,
2 but not after fiscal year 2060.

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

16 Subject to payment of amounts into the Capital Projects
17 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
18 and the McCormick Place Expansion Project Fund pursuant to the
19 preceding paragraphs or in any amendments thereto hereafter
20 enacted, for aviation fuel sold on or after December 1, 2019,
21 the Department shall each month deposit into the Aviation Fuel
22 Sales Tax Refund Fund an amount estimated by the Department to
23 be required for refunds of the 80% portion of the tax on
24 aviation fuel under this Act. The Department shall only
25 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
26 under this paragraph for so long as the revenue use

1 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
2 binding on the State.

3 Subject to payment of amounts into the Build Illinois Fund
4 and the McCormick Place Expansion Project Fund pursuant to the
5 preceding paragraphs or in any amendments thereto hereafter
6 enacted, beginning July 1, 1993 and ending on September 30,
7 2013, the Department shall each month pay into the Illinois
8 Tax Increment Fund 0.27% of 80% of the net revenue realized for
9 the preceding month from the 6.25% general rate on the selling
10 price of tangible personal property.

11 Subject to payment of amounts into the Build Illinois
12 Fund, the McCormick Place Expansion Project Fund, the Illinois
13 Tax Increment Fund, and the Energy Infrastructure Fund
14 pursuant to the preceding paragraphs or in any amendments to
15 this Section hereafter enacted, beginning on the first day of
16 the first calendar month to occur on or after August 26, 2014
17 (the effective date of Public Act 98-1098), each month, from
18 the collections made under Section 9 of the Use Tax Act,
19 Section 9 of the Service Use Tax Act, Section 9 of the Service
20 Occupation Tax Act, and Section 3 of the Retailers' Occupation
21 Tax Act, the Department shall pay into the Tax Compliance and
22 Administration Fund, to be used, subject to appropriation, to
23 fund additional auditors and compliance personnel at the
24 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
25 the cash receipts collected during the preceding fiscal year
26 by the Audit Bureau of the Department under the Use Tax Act,

1 the Service Use Tax Act, the Service Occupation Tax Act, the
2 Retailers' Occupation Tax Act, and associated local occupation
3 and use taxes administered by the Department.

4 Subject to payments of amounts into the Build Illinois
5 Fund, the McCormick Place Expansion Project Fund, the Illinois
6 Tax Increment Fund, and the Tax Compliance and Administration
7 Fund as provided in this Section, beginning on July 1, 2018 the
8 Department shall pay each month into the Downstate Public
9 Transportation Fund the moneys required to be so paid under
10 Section 2-3 of the Downstate Public Transportation Act.

11 Subject to successful execution and delivery of a
12 public-private agreement between the public agency and private
13 entity and completion of the civic build, beginning on July 1,
14 2023, of the remainder of the moneys received by the
15 Department under the Use Tax Act, the Service Use Tax Act, the
16 Service Occupation Tax Act, and this Act, the Department shall
17 deposit the following specified deposits in the aggregate from
18 collections under the Use Tax Act, the Service Use Tax Act, the
19 Service Occupation Tax Act, and the Retailers' Occupation Tax
20 Act, as required under Section 8.25g of the State Finance Act
21 for distribution consistent with the Public-Private
22 Partnership for Civic and Transit Infrastructure Project Act.
23 The moneys received by the Department pursuant to this Act and
24 required to be deposited into the Civic and Transit
25 Infrastructure Fund are subject to the pledge, claim, and
26 charge set forth in Section 25-55 of the Public-Private

1 Partnership for Civic and Transit Infrastructure Project Act.
 2 As used in this paragraph, "civic build", "private entity",
 3 "public-private agreement", and "public agency" have the
 4 meanings provided in Section 25-10 of the Public-Private
 5 Partnership for Civic and Transit Infrastructure Project Act.

6	Fiscal Year.....	Total Deposit
7	2024	\$200,000,000
8	2025	\$206,000,000
9	2026	\$212,200,000
10	2027	\$218,500,000
11	2028	\$225,100,000
12	2029	\$288,700,000
13	2030	\$298,900,000
14	2031	\$309,300,000
15	2032	\$320,100,000
16	2033	\$331,200,000
17	2034	\$341,200,000
18	2035	\$351,400,000
19	2036	\$361,900,000
20	2037	\$372,800,000
21	2038	\$384,000,000
22	2039	\$395,500,000
23	2040	\$407,400,000
24	2041	\$419,600,000
25	2042	\$432,200,000
26	2043	\$445,100,000

1 Beginning July 1, 2021 and until July 1, 2022, subject to
2 the payment of amounts into the State and Local Sales Tax
3 Reform Fund, the Build Illinois Fund, the McCormick Place
4 Expansion Project Fund, the Illinois Tax Increment Fund, and
5 the Tax Compliance and Administration Fund as provided in this
6 Section, the Department shall pay each month into the Road
7 Fund the amount estimated to represent 16% of the net revenue
8 realized from the taxes imposed on motor fuel and gasohol.
9 Beginning July 1, 2022 and until July 1, 2023, subject to the
10 payment of amounts into the State and Local Sales Tax Reform
11 Fund, the Build Illinois Fund, the McCormick Place Expansion
12 Project Fund, the Illinois Tax Increment Fund, and the Tax
13 Compliance and Administration Fund as provided in this
14 Section, the Department shall pay each month into the Road
15 Fund the amount estimated to represent 32% of the net revenue
16 realized from the taxes imposed on motor fuel and gasohol.
17 Beginning July 1, 2023 and until July 1, 2024, subject to the
18 payment of amounts into the State and Local Sales Tax Reform
19 Fund, the Build Illinois Fund, the McCormick Place Expansion
20 Project Fund, the Illinois Tax Increment Fund, and the Tax
21 Compliance and Administration Fund as provided in this
22 Section, the Department shall pay each month into the Road
23 Fund the amount estimated to represent 48% of the net revenue
24 realized from the taxes imposed on motor fuel and gasohol.
25 Beginning July 1, 2024 and until July 1, 2025, subject to the
26 payment of amounts into the State and Local Sales Tax Reform

1 Fund, the Build Illinois Fund, the McCormick Place Expansion
2 Project Fund, the Illinois Tax Increment Fund, and the Tax
3 Compliance and Administration Fund as provided in this
4 Section, the Department shall pay each month into the Road
5 Fund the amount estimated to represent 64% of the net revenue
6 realized from the taxes imposed on motor fuel and gasohol.
7 Beginning on July 1, 2025, subject to the payment of amounts
8 into the State and Local Sales Tax Reform Fund, the Build
9 Illinois Fund, the McCormick Place Expansion Project Fund, the
10 Illinois Tax Increment Fund, and the Tax Compliance and
11 Administration Fund as provided in this Section, the
12 Department shall pay each month into the Road Fund the amount
13 estimated to represent 80% of the net revenue realized from
14 the taxes imposed on motor fuel and gasohol. As used in this
15 paragraph "motor fuel" has the meaning given to that term in
16 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the
17 meaning given to that term in Section 3-40 of this Act.

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

24 As soon as possible after the first day of each month, upon
25 certification of the Department of Revenue, the Comptroller
26 shall order transferred and the Treasurer shall transfer from

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

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

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

16 (Source: P.A. 102-700, Article 60, Section 60-15, eff.
17 4-19-22; 102-700, Article 65, Section 65-5, eff. 4-19-22;
18 102-1019, eff. 1-1-23; 103-154, eff. 6-30-23; 103-363, eff.
19 7-28-23; 103-592, Article 75, Section 75-5, eff. 1-1-25;
20 103-592, Article 110, Section 110-5, eff. 6-7-24; revised
21 11-26-24.)

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

24 (35 ILCS 110/3-10)

1 Sec. 3-10. Rate of tax. Unless otherwise provided in this
2 Section, the tax imposed by this Act is at the rate of 6.25% of
3 the selling price of tangible personal property transferred,
4 including, on and after January 1, 2025, transferred by lease,
5 as an incident to the sale of service, but, for the purpose of
6 computing this tax, in no event shall the selling price be less
7 than the cost price of the property to the serviceman.

8 Beginning on July 1, 2000 and through December 31, 2000,
9 with respect to motor fuel, as defined in Section 1.1 of the
10 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
11 the Use Tax Act, the tax is imposed at the rate of 1.25%.

12 With respect to gasohol, as defined in the Use Tax Act, the
13 tax imposed by this Act applies to (i) 70% of the selling price
14 of property transferred as an incident to the sale of service
15 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
16 of the selling price of property transferred as an incident to
17 the sale of service on or after July 1, 2003 and on or before
18 July 1, 2017, (iii) 100% of the selling price of property
19 transferred as an incident to the sale of service after July 1,
20 2017 and before January 1, 2024, (iv) 90% of the selling price
21 of property transferred as an incident to the sale of service
22 on or after January 1, 2024 and on or before December 31, 2028,
23 and (v) 100% of the selling price of property transferred as an
24 incident to the sale of service after December 31, 2028. If, at
25 any time, however, the tax under this Act on sales of gasohol,
26 as defined in the Use Tax Act, is imposed at the rate of 1.25%,

1 then the tax imposed by this Act applies to 100% of the
2 proceeds of sales of gasohol made during that time.

3 With respect to mid-range ethanol blends, as defined in
4 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
5 applies to (i) 80% of the selling price of property
6 transferred as an incident to the sale of service on or after
7 January 1, 2024 and on or before December 31, 2028 and (ii)
8 100% of the selling price of property transferred as an
9 incident to the sale of service after December 31, 2028. If, at
10 any time, however, the tax under this Act on sales of mid-range
11 ethanol blends is imposed at the rate of 1.25%, then the tax
12 imposed by this Act applies to 100% of the selling price of
13 mid-range ethanol blends transferred as an incident to the
14 sale of service during that time.

15 With respect to majority blended ethanol fuel, as defined
16 in the Use Tax Act, the tax imposed by this Act does not apply
17 to the selling price of property transferred as an incident to
18 the sale of service on or after July 1, 2003 and on or before
19 December 31, 2028 but applies to 100% of the selling price
20 thereafter.

21 With respect to biodiesel blends, as defined in the Use
22 Tax Act, with no less than 1% and no more than 10% biodiesel,
23 the tax imposed by this Act applies to (i) 80% of the selling
24 price of property transferred as an incident to the sale of
25 service on or after July 1, 2003 and on or before December 31,
26 2018 and (ii) 100% of the proceeds of the selling price after

1 December 31, 2018 and before January 1, 2024. On and after
2 January 1, 2024 and on or before December 31, 2030, the
3 taxation of biodiesel, renewable diesel, and biodiesel blends
4 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
5 at any time, however, the tax under this Act on sales of
6 biodiesel blends, as defined in the Use Tax Act, with no less
7 than 1% and no more than 10% biodiesel is imposed at the rate
8 of 1.25%, then the tax imposed by this Act applies to 100% of
9 the proceeds of sales of biodiesel blends with no less than 1%
10 and no more than 10% biodiesel made during that time.

11 With respect to biodiesel, as defined in the Use Tax Act,
12 and biodiesel blends, as defined in the Use Tax Act, with more
13 than 10% but no more than 99% biodiesel, the tax imposed by
14 this Act does not apply to the proceeds of the selling price of
15 property transferred as an incident to the sale of service on
16 or after July 1, 2003 and on or before December 31, 2023. On
17 and after January 1, 2024 and on or before December 31, 2030,
18 the taxation of biodiesel, renewable diesel, and biodiesel
19 blends shall be as provided in Section 3-5.1 of the Use Tax
20 Act.

21 At the election of any registered serviceman made for each
22 fiscal year, sales of service in which the aggregate annual
23 cost price of tangible personal property transferred as an
24 incident to the sales of service is less than 35%, or 75% in
25 the case of servicemen transferring prescription drugs or
26 servicemen engaged in graphic arts production, of the

1 aggregate annual total gross receipts from all sales of
2 service, the tax imposed by this Act shall be based on the
3 serviceman's cost price of the tangible personal property
4 transferred as an incident to the sale of those services.

5 Until July 1, 2022 and from July 1, 2023 through December
6 31, 2025, the tax shall be imposed at the rate of 1% on food
7 prepared for immediate consumption and transferred incident to
8 a sale of service subject to this Act or the Service Occupation
9 Tax Act by an entity licensed under the Hospital Licensing
10 Act, the Nursing Home Care Act, the Assisted Living and Shared
11 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
12 Specialized Mental Health Rehabilitation Act of 2013, or the
13 Child Care Act of 1969, or an entity that holds a permit issued
14 pursuant to the Life Care Facilities Act. Until July 1, 2022
15 and from July 1, 2023 through December 31, 2025, the tax shall
16 also be imposed at the rate of 1% on food for human consumption
17 that is to be consumed off the premises where it is sold (other
18 than alcoholic beverages, food consisting of or infused with
19 adult use cannabis, soft drinks, and food that has been
20 prepared for immediate consumption and is not otherwise
21 included in this paragraph).

22 Beginning on July 1, 2022 and until July 1, 2023, the tax
23 shall be imposed at the rate of 0% on food prepared for
24 immediate consumption and transferred incident to a sale of
25 service subject to this Act or the Service Occupation Tax Act
26 by an entity licensed under the Hospital Licensing Act, the

1 Nursing Home Care Act, the Assisted Living and Shared Housing
2 Act, the ID/DD Community Care Act, the MC/DD Act, the
3 Specialized Mental Health Rehabilitation Act of 2013, or the
4 Child Care Act of 1969, or an entity that holds a permit issued
5 pursuant to the Life Care Facilities Act. Beginning on July 1,
6 2022 and until July 1, 2023, the tax shall also be imposed at
7 the rate of 0% on food for human consumption that is to be
8 consumed off the premises where it is sold (other than
9 alcoholic beverages, food consisting of or infused with adult
10 use cannabis, soft drinks, and food that has been prepared for
11 immediate consumption and is not otherwise included in this
12 paragraph).

13 On and ~~an~~ after January 1, 2026, food prepared for
14 immediate consumption and transferred incident to a sale of
15 service subject to this Act or the Service Occupation Tax Act
16 by an entity licensed under the Hospital Licensing Act, the
17 Nursing Home Care Act, the Assisted Living and Shared Housing
18 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 by an entity that holds a permit
21 issued pursuant to the Life Care Facilities Act is exempt from
22 the tax under this Act. On and after January 1, 2026, 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 and is not otherwise included in this paragraph)
2 is exempt from the tax under this Act.

3 The tax shall be imposed at the rate of 1% on prescription
4 and nonprescription medicines, drugs, medical appliances,
5 products classified as Class III medical devices by the United
6 States Food and Drug Administration that are used for cancer
7 treatment pursuant to a prescription, as well as any
8 accessories and components related to those devices,
9 modifications to a motor vehicle for the purpose of rendering
10 it usable by a person with a disability, and insulin, blood
11 sugar testing materials, syringes, and needles used by human
12 diabetics. For the purposes of this Section, until September
13 1, 2009: the term "soft drinks" means any complete, finished,
14 ready-to-use, non-alcoholic drink, whether carbonated or not,
15 including, but not limited to, soda water, cola, fruit juice,
16 vegetable juice, carbonated water, and all other preparations
17 commonly known as soft drinks of whatever kind or description
18 that are contained in any closed or sealed bottle, can,
19 carton, or container, regardless of size; but "soft drinks"
20 does not include coffee, tea, non-carbonated water, infant
21 formula, milk or milk products as defined in the Grade A
22 Pasteurized Milk and Milk Products Act, or drinks containing
23 50% or more natural fruit or vegetable juice.

24 Notwithstanding any other provisions of this Act,
25 beginning September 1, 2009, "soft drinks" means non-alcoholic
26 beverages that contain natural or artificial sweeteners. "Soft

1 drinks" does not include beverages that contain milk or milk
2 products, soy, rice or similar milk substitutes, or greater
3 than 50% of vegetable or fruit juice by volume.

4 Until August 1, 2009, and notwithstanding any other
5 provisions of this Act, "food for human consumption that is to
6 be consumed off the premises where it is sold" includes all
7 food sold through a vending machine, except soft drinks and
8 food products that are dispensed hot from a vending machine,
9 regardless of the location of the vending machine. Beginning
10 August 1, 2009, and notwithstanding any other provisions of
11 this Act, "food for human consumption that is to be consumed
12 off the premises where it is sold" includes all food sold
13 through a vending machine, except soft drinks, candy, and food
14 products that are dispensed hot from a vending machine,
15 regardless of the location of the vending machine.

16 Notwithstanding any other provisions of this Act,
17 beginning September 1, 2009, "food for human consumption that
18 is to be consumed off the premises where it is sold" does not
19 include candy. For purposes of this Section, "candy" means a
20 preparation of sugar, honey, or other natural or artificial
21 sweeteners in combination with chocolate, fruits, nuts or
22 other ingredients or flavorings in the form of bars, drops, or
23 pieces. "Candy" does not include any preparation that contains
24 flour or requires refrigeration.

25 Notwithstanding any other provisions of this Act,
26 beginning September 1, 2009, "nonprescription medicines and

1 drugs" does not include grooming and hygiene products. For
2 purposes of this Section, "grooming and hygiene products"
3 includes, but is not limited to, soaps and cleaning solutions,
4 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
5 lotions and screens, unless those products are available by
6 prescription only, regardless of whether the products meet the
7 definition of "over-the-counter-drugs". For the purposes of
8 this paragraph, "over-the-counter-drug" means a drug for human
9 use that contains a label that identifies the product as a drug
10 as required by 21 CFR 201.66. The "over-the-counter-drug"
11 label includes:

12 (A) a "Drug Facts" panel; or

13 (B) a statement of the "active ingredient(s)" with a
14 list of those ingredients contained in the compound,
15 substance or preparation.

16 Beginning on January 1, 2014 (the effective date of Public
17 Act 98-122), "prescription and nonprescription medicines and
18 drugs" includes medical cannabis purchased from a registered
19 dispensing organization under the Compassionate Use of Medical
20 Cannabis Program Act.

21 As used in this Section, "adult use cannabis" means
22 cannabis subject to tax under the Cannabis Cultivation
23 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
24 and does not include cannabis subject to tax under the
25 Compassionate Use of Medical Cannabis Program Act.

26 If the property that is acquired from a serviceman is

1 acquired outside Illinois and used outside Illinois before
2 being brought to Illinois for use here and is taxable under
3 this Act, the "selling price" on which the tax is computed
4 shall be reduced by an amount that represents a reasonable
5 allowance for depreciation for the period of prior
6 out-of-state use. No depreciation is allowed in cases where
7 the tax under this Act is imposed on lease receipts.

8 Beginning January 1, 2026, in addition to all other rates
9 of tax imposed under this Act, a surcharge of 3.75% is imposed
10 on the selling price of (i) each firearm purchased in the State
11 and (ii) each firearm component part that is purchased in the
12 State and sold separately from the firearm. "Firearm" has the
13 meaning ascribed to that term in Section 1.1 of the Firearm
14 Owners Identification Card Act.

15 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;
16 102-700, Article 20, Section 20-10, eff. 4-19-22; 102-700,
17 Article 60, Section 60-20, eff. 4-19-22; 103-9, eff. 6-7-23;
18 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
19 8-5-24; revised 11-26-24.)

20 (35 ILCS 110/9)

21 Sec. 9. Each serviceman required or authorized to collect
22 the tax herein imposed shall pay to the Department the amount
23 of such tax (except as otherwise provided) at the time when he
24 is required to file his return for the period during which such
25 tax was collected, less a discount of 2.1% prior to January 1,

1 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
2 year, whichever is greater, which is allowed to reimburse the
3 serviceman for expenses incurred in collecting the tax,
4 keeping records, preparing and filing returns, remitting the
5 tax, and supplying data to the Department on request.
6 Beginning with returns due on or after January 1, 2025, the
7 vendor's discount allowed in this Section, the Retailers'
8 Occupation Tax Act, the Service Occupation Tax Act, and the
9 Use Tax Act, including any local tax administered by the
10 Department and reported on the same return, shall not exceed
11 \$1,000 per month in the aggregate. When determining the
12 discount allowed under this Section, servicemen shall include
13 the amount of tax that would have been due at the 1% rate but
14 for the 0% rate imposed under Public Act 102-700 ~~this~~
15 ~~amendatory Act of the 102nd General Assembly~~. The discount
16 under this Section is not allowed for the 1.25% portion of
17 taxes paid on aviation fuel that is subject to the revenue use
18 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
19 discount allowed under this Section is allowed only for
20 returns that are filed in the manner required by this Act. The
21 Department may disallow the discount for servicemen whose
22 certificate of registration is revoked at the time the return
23 is filed, but only if the Department's decision to revoke the
24 certificate of registration has become final. A serviceman
25 need not remit that part of any tax collected by him to the
26 extent that he is required to pay and does pay the tax imposed

1 by the Service Occupation Tax Act with respect to his sale of
2 service involving the incidental transfer by him of the same
3 property.

4 Except as provided hereinafter in this Section, on or
5 before the twentieth day of each calendar month, such
6 serviceman shall file a return for the preceding calendar
7 month in accordance with reasonable Rules and Regulations to
8 be promulgated by the Department. Such return shall be filed
9 on a form prescribed by the Department and shall contain such
10 information as the Department may reasonably require. The
11 return shall include the gross receipts which were received
12 during the preceding calendar month or quarter on the
13 following items upon which tax would have been due but for the
14 0% rate imposed under Public Act 102-700 ~~this amendatory Act~~
15 ~~of the 102nd General Assembly~~: (i) food for human consumption
16 that is to be consumed off the premises where it is sold (other
17 than alcoholic beverages, food consisting of or infused with
18 adult use cannabis, soft drinks, and food that has been
19 prepared for immediate consumption); and (ii) food prepared
20 for immediate consumption and transferred incident to a sale
21 of service subject to this Act or the Service Occupation Tax
22 Act by an entity licensed under the Hospital Licensing Act,
23 the Nursing Home Care Act, the Assisted Living and Shared
24 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
25 Specialized Mental Health Rehabilitation Act of 2013, or the
26 Child Care Act of 1969, or an entity that holds a permit issued

1 pursuant to the Life Care Facilities Act. The return shall
2 also include the amount of tax that would have been due on the
3 items listed in the previous sentence but for the 0% rate
4 imposed under Public Act 102-700 ~~this amendatory Act of the~~
5 ~~102nd General Assembly.~~

6 In the case of leases, except as otherwise provided in
7 this Act, the lessor, in collecting the tax, may collect for
8 each tax return period, only the tax applicable to that part of
9 the selling price actually received during such tax return
10 period.

11 On and after January 1, 2018, with respect to servicemen
12 whose annual gross receipts average \$20,000 or more, all
13 returns required to be filed pursuant to this Act shall be
14 filed electronically. Servicemen who demonstrate that they do
15 not have access to the Internet or demonstrate hardship in
16 filing electronically may petition the Department to waive the
17 electronic filing requirement.

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

25 1. The name of the seller;

26 2. The address of the principal place of business from

1 which he engages in business as a serviceman in this
2 State;

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

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

9 5. The amount of tax due;

10 5-5. The signature of the taxpayer; and

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

13 Each serviceman required or authorized to collect the tax
14 imposed by this Act on aviation fuel transferred as an
15 incident of a sale of service in this State during the
16 preceding calendar month shall, instead of reporting and
17 paying tax on aviation fuel as otherwise required by this
18 Section, report and pay such tax on a separate aviation fuel
19 tax return. The requirements related to the return shall be as
20 otherwise provided in this Section. Notwithstanding any other
21 provisions of this Act to the contrary, servicemen collecting
22 tax on aviation fuel shall file all aviation fuel tax returns
23 and shall make all aviation fuel tax payments by electronic
24 means in the manner and form required by the Department. For
25 purposes of this Section, "aviation fuel" means jet fuel and
26 aviation gasoline.

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

5 Notwithstanding any other provision of this Act to the
6 contrary, servicemen subject to tax on cannabis shall file all
7 cannabis tax returns and shall make all cannabis tax payments
8 by electronic means in the manner and form required by the
9 Department.

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

1 tax liability" means the sum of the taxpayer's liabilities
2 under this Act, and under all other State and local occupation
3 and use tax laws administered by the Department, for the
4 immediately preceding calendar year divided by 12. Beginning
5 on October 1, 2002, a taxpayer who has a tax liability in the
6 amount set forth in subsection (b) of Section 2505-210 of the
7 Department of Revenue Law shall make all payments required by
8 rules of the Department by electronic funds transfer.

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

14 Any taxpayer not required to make payments by electronic
15 funds transfer may make payments by electronic funds transfer
16 with the permission of the Department.

17 All taxpayers required to make payment by electronic funds
18 transfer and any taxpayers authorized to voluntarily make
19 payments by electronic funds transfer shall make those
20 payments in the manner authorized by the Department.

21 The Department shall adopt such rules as are necessary to
22 effectuate a program of electronic funds transfer and the
23 requirements of this Section.

24 If the serviceman is otherwise required to file a monthly
25 return and if the serviceman's average monthly tax liability
26 to the Department does not exceed \$200, the Department may

1 authorize his returns to be filed on a quarter annual basis,
2 with the return for January, February, and March of a given
3 year being due by April 20 of such year; with the return for
4 April, May, and June of a given year being due by July 20 of
5 such year; with the return for July, August, and September of a
6 given year being due by October 20 of such year, and with the
7 return for October, November, and December of a given year
8 being due by January 20 of the following year.

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

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

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

25 Where a serviceman collects the tax with respect to the
26 selling price of property which he sells and the purchaser

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

16 Any serviceman filing a return hereunder shall also
17 include the total tax upon the selling price of tangible
18 personal property purchased for use by him as an incident to a
19 sale of service, and such serviceman shall remit the amount of
20 such tax to the Department when filing such return.

21 If experience indicates such action to be practicable, the
22 Department may prescribe and furnish a combination or joint
23 return which will enable servicemen, who are required to file
24 returns hereunder and also under the Service Occupation Tax
25 Act, to furnish all the return information required by both
26 Acts on the one form.

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

6 Beginning January 1, 1990, each month the Department shall
7 pay into the State and Local Tax Reform Fund, a special fund in
8 the State ~~treasury~~ ~~Treasury~~, the net revenue realized for the
9 preceding month from the 1% tax imposed under this Act.

10 Beginning January 1, 1990, each month the Department shall
11 pay into the State and Local Sales Tax Reform Fund 20% of the
12 net revenue realized for the preceding month from the 6.25%
13 general rate on transfers of tangible personal property, other
14 than (i) tangible personal property which is purchased outside
15 Illinois at retail from a retailer and which is titled or
16 registered by an agency of this State's government and (ii)
17 aviation fuel sold on or after December 1, 2019. This
18 exception for aviation fuel only applies for so long as the
19 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
20 47133 are binding on the State.

21 Beginning February 1, 2026, each month the Department
22 shall pay into the State and Local Sales Tax Reform Fund 20% of
23 the net revenue realized for the preceding month from the
24 3.75% surcharge imposed on the selling price of firearms and
25 firearm component parts.

26 For aviation fuel sold on or after December 1, 2019, each

1 month the Department shall pay into the State Aviation Program
2 Fund 20% of the net revenue realized for the preceding month
3 from the 6.25% general rate on the selling price of aviation
4 fuel, less an amount estimated by the Department to be
5 required for refunds of the 20% portion of the tax on aviation
6 fuel under this Act, which amount shall be deposited into the
7 Aviation Fuel Sales Tax Refund Fund. The Department shall only
8 pay moneys into the State Aviation Program Fund and the
9 Aviation Fuel Sales Tax Refund Fund under this Act for so long
10 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
11 U.S.C. 47133 are binding on the State.

12 Beginning August 1, 2000, each month the Department shall
13 pay into the State and Local Sales Tax Reform Fund 100% of the
14 net revenue realized for the preceding month from the 1.25%
15 rate on the selling price of motor fuel and gasohol.

16 Beginning October 1, 2009, each month the Department shall
17 pay into the Capital Projects Fund an amount that is equal to
18 an amount estimated by the Department to represent 80% of the
19 net revenue realized for the preceding month from the sale of
20 candy, grooming and hygiene products, and soft drinks that had
21 been taxed at a rate of 1% prior to September 1, 2009 but that
22 are now taxed at 6.25%.

23 Beginning July 1, 2013, each month the Department shall
24 pay into the Underground Storage Tank Fund from the proceeds
25 collected under this Act, the Use Tax Act, the Service
26 Occupation Tax Act, and the Retailers' Occupation Tax Act an

1 amount equal to the average monthly deficit in the Underground
2 Storage Tank Fund during the prior year, as certified annually
3 by the Illinois Environmental Protection Agency, but the total
4 payment into the Underground Storage Tank Fund under this Act,
5 the Use Tax Act, the Service Occupation Tax Act, and the
6 Retailers' Occupation Tax Act shall not exceed \$18,000,000 in
7 any State fiscal year. As used in this paragraph, the "average
8 monthly deficit" shall be equal to the difference between the
9 average monthly claims for payment by the fund and the average
10 monthly revenues deposited into the fund, excluding payments
11 made pursuant to this paragraph.

12 Beginning July 1, 2015, of the remainder of the moneys
13 received by the Department under the Use Tax Act, this Act, the
14 Service Occupation Tax Act, and the Retailers' Occupation Tax
15 Act, each month the Department shall deposit \$500,000 into the
16 State Crime Laboratory Fund.

17 Of the remainder of the moneys received by the Department
18 pursuant to this Act, (a) 1.75% thereof shall be paid into the
19 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
20 and after July 1, 1989, 3.8% thereof shall be paid into the
21 Build Illinois Fund; provided, however, that if in any fiscal
22 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
23 may be, of the moneys received by the Department and required
24 to be paid into the Build Illinois Fund pursuant to Section 3
25 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
26 Act, Section 9 of the Service Use Tax Act, and Section 9 of the

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

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

1 Department pursuant to this Act and required to be deposited
2 into the Build Illinois Fund are subject to the pledge, claim
3 and charge set forth in Section 12 of the Build Illinois Bond
4 Act.

5 Subject to payment of amounts into the Build Illinois Fund
6 as provided in the preceding paragraph or in any amendment
7 thereto hereafter enacted, the following specified monthly
8 installment of the amount requested in the certificate of the
9 Chairman of the Metropolitan Pier and Exposition Authority
10 provided under Section 8.25f of the State Finance Act, but not
11 in excess of the sums designated as "Total Deposit", shall be
12 deposited in the aggregate from collections under Section 9 of
13 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
14 9 of the Service Occupation Tax Act, and Section 3 of the
15 Retailers' Occupation Tax Act into the McCormick Place
16 Expansion Project Fund in the specified fiscal years.

17	Fiscal Year	Total Deposit
18	1993	\$0
19	1994	53,000,000
20	1995	58,000,000
21	1996	61,000,000
22	1997	64,000,000
23	1998	68,000,000
24	1999	71,000,000
25	2000	75,000,000

1	2001	80,000,000
2	2002	93,000,000
3	2003	99,000,000
4	2004	103,000,000
5	2005	108,000,000
6	2006	113,000,000
7	2007	119,000,000
8	2008	126,000,000
9	2009	132,000,000
10	2010	139,000,000
11	2011	146,000,000
12	2012	153,000,000
13	2013	161,000,000
14	2014	170,000,000
15	2015	179,000,000
16	2016	189,000,000
17	2017	199,000,000
18	2018	210,000,000
19	2019	221,000,000
20	2020	233,000,000
21	2021	300,000,000
22	2022	300,000,000
23	2023	300,000,000
24	2024	300,000,000
25	2025	300,000,000
26	2026	300,000,000

1	2027	375,000,000
2	2028	375,000,000
3	2029	375,000,000
4	2030	375,000,000
5	2031	375,000,000
6	2032	375,000,000
7	2033	375,000,000
8	2034	375,000,000
9	2035	375,000,000
10	2036	450,000,000

11 and
12 each fiscal year
13 thereafter that bonds
14 are outstanding under
15 Section 13.2 of the
16 Metropolitan Pier and
17 Exposition Authority Act,
18 but not after fiscal year 2060.

19 Beginning July 20, 1993 and in each month of each fiscal
20 year thereafter, one-eighth of the amount requested in the
21 certificate of the Chairman of the Metropolitan Pier and
22 Exposition Authority for that fiscal year, less the amount
23 deposited into the McCormick Place Expansion Project Fund by
24 the State Treasurer in the respective month under subsection
25 (g) of Section 13 of the Metropolitan Pier and Exposition
26 Authority Act, plus cumulative deficiencies in the deposits

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

6 Subject to payment of amounts into the Capital Projects
7 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
8 and the McCormick Place Expansion Project Fund pursuant to the
9 preceding paragraphs or in any amendments thereto hereafter
10 enacted, for aviation fuel sold on or after December 1, 2019,
11 the Department shall each month deposit into the Aviation Fuel
12 Sales Tax Refund Fund an amount estimated by the Department to
13 be required for refunds of the 80% portion of the tax on
14 aviation fuel under this Act. The Department shall only
15 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
16 under this paragraph for so long as the revenue use
17 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
18 binding on the State.

19 Subject to payment of amounts into the Build Illinois Fund
20 and the McCormick Place Expansion Project Fund pursuant to the
21 preceding paragraphs or in any amendments thereto hereafter
22 enacted, beginning July 1, 1993 and ending on September 30,
23 2013, the Department shall each month pay into the Illinois
24 Tax Increment Fund 0.27% of 80% of the net revenue realized for
25 the preceding month from the 6.25% general rate on the selling
26 price of tangible personal property.

1 Subject to payment of amounts into the Build Illinois
2 Fund, the McCormick Place Expansion Project Fund, the Illinois
3 Tax Increment Fund, pursuant to the preceding paragraphs or in
4 any amendments to this Section hereafter enacted, beginning on
5 the first day of the first calendar month to occur on or after
6 August 26, 2014 (the effective date of Public Act 98-1098),
7 each month, from the collections made under Section 9 of the
8 Use Tax Act, Section 9 of the Service Use Tax Act, Section 9 of
9 the Service Occupation Tax Act, and Section 3 of the
10 Retailers' Occupation Tax Act, the Department shall pay into
11 the Tax Compliance and Administration Fund, to be used,
12 subject to appropriation, to fund additional auditors and
13 compliance personnel at the Department of Revenue, an amount
14 equal to 1/12 of 5% of 80% of the cash receipts collected
15 during the preceding fiscal year by the Audit Bureau of the
16 Department under the Use Tax Act, the Service Use Tax Act, the
17 Service Occupation Tax Act, the Retailers' Occupation Tax Act,
18 and associated local occupation and use taxes administered by
19 the Department.

20 Subject to payments of amounts into the Build Illinois
21 Fund, the McCormick Place Expansion Project Fund, the Illinois
22 Tax Increment Fund, and the Tax Compliance and Administration
23 Fund as provided in this Section, beginning on July 1, 2018 the
24 Department shall pay each month into the Downstate Public
25 Transportation Fund the moneys required to be so paid under
26 Section 2-3 of the Downstate Public Transportation Act.

1 Subject to successful execution and delivery of a
 2 public-private agreement between the public agency and private
 3 entity and completion of the civic build, beginning on July 1,
 4 2023, of the remainder of the moneys received by the
 5 Department under the Use Tax Act, the Service Use Tax Act, the
 6 Service Occupation Tax Act, and this Act, the Department shall
 7 deposit the following specified deposits in the aggregate from
 8 collections under the Use Tax Act, the Service Use Tax Act, the
 9 Service Occupation Tax Act, and the Retailers' Occupation Tax
 10 Act, as required under Section 8.25g of the State Finance Act
 11 for distribution consistent with the Public-Private
 12 Partnership for Civic and Transit Infrastructure Project Act.
 13 The moneys received by the Department pursuant to this Act and
 14 required to be deposited into the Civic and Transit
 15 Infrastructure Fund are subject to the pledge, claim, and
 16 charge set forth in Section 25-55 of the Public-Private
 17 Partnership for Civic and Transit Infrastructure Project Act.
 18 As used in this paragraph, "civic build", "private entity",
 19 "public-private agreement", and "public agency" have the
 20 meanings provided in Section 25-10 of the Public-Private
 21 Partnership for Civic and Transit Infrastructure Project Act.

	Fiscal Year.....	Total Deposit
23	2024	\$200,000,000
24	2025	\$206,000,000
25	2026	\$212,200,000
26	2027	\$218,500,000

1	2028	.....	\$225,100,000
2	2029	.....	\$288,700,000
3	2030	.....	\$298,900,000
4	2031	.....	\$309,300,000
5	2032	.....	\$320,100,000
6	2033	.....	\$331,200,000
7	2034	.....	\$341,200,000
8	2035	.....	\$351,400,000
9	2036	.....	\$361,900,000
10	2037	.....	\$372,800,000
11	2038	.....	\$384,000,000
12	2039	.....	\$395,500,000
13	2040	.....	\$407,400,000
14	2041	.....	\$419,600,000
15	2042	.....	\$432,200,000
16	2043	.....	\$445,100,000

17 Beginning July 1, 2021 and until July 1, 2022, subject to
18 the payment of amounts into the State and Local Sales Tax
19 Reform Fund, the Build Illinois Fund, the McCormick Place
20 Expansion Project Fund, the Energy Infrastructure Fund, and
21 the Tax Compliance and Administration Fund as provided in this
22 Section, the Department shall pay each month into the Road
23 Fund the amount estimated to represent 16% of the net revenue
24 realized from the taxes imposed on motor fuel and gasohol.
25 Beginning July 1, 2022 and until July 1, 2023, subject to the
26 payment of amounts into the State and Local Sales Tax Reform

1 Fund, the Build Illinois Fund, the McCormick Place Expansion
2 Project Fund, the Illinois Tax Increment Fund, and the Tax
3 Compliance and Administration Fund as provided in this
4 Section, the Department shall pay each month into the Road
5 Fund the amount estimated to represent 32% of the net revenue
6 realized from the taxes imposed on motor fuel and gasohol.
7 Beginning July 1, 2023 and until July 1, 2024, subject to the
8 payment of amounts into the State and Local Sales Tax Reform
9 Fund, the Build Illinois Fund, the McCormick Place Expansion
10 Project Fund, the Illinois Tax Increment Fund, and the Tax
11 Compliance and Administration Fund as provided in this
12 Section, the Department shall pay each month into the Road
13 Fund the amount estimated to represent 48% of the net revenue
14 realized from the taxes imposed on motor fuel and gasohol.
15 Beginning July 1, 2024 and until July 1, 2025, subject to the
16 payment of amounts into the State and Local Sales Tax Reform
17 Fund, the Build Illinois Fund, the McCormick Place Expansion
18 Project Fund, the Illinois Tax Increment Fund, and the Tax
19 Compliance and Administration Fund as provided in this
20 Section, the Department shall pay each month into the Road
21 Fund the amount estimated to represent 64% of the net revenue
22 realized from the taxes imposed on motor fuel and gasohol.
23 Beginning on July 1, 2025, subject to the payment of amounts
24 into the State and Local Sales Tax Reform Fund, the Build
25 Illinois Fund, the McCormick Place Expansion Project Fund, the
26 Illinois Tax Increment Fund, and the Tax Compliance and

1 Administration Fund as provided in this Section, the
2 Department shall pay each month into the Road Fund the amount
3 estimated to represent 80% of the net revenue realized from
4 the taxes imposed on motor fuel and gasohol. As used in this
5 paragraph "motor fuel" has the meaning given to that term in
6 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the
7 meaning given to that term in Section 3-40 of the Use Tax Act.

8 Of the remainder of the moneys received by the Department
9 pursuant to this Act, 75% thereof shall be paid into the
10 General Revenue Fund of the State treasury ~~Treasury~~ and 25%
11 shall be reserved in a special account and used only for the
12 transfer to the Common School Fund as part of the monthly
13 transfer from the General Revenue Fund in accordance with
14 Section 8a of the State Finance Act.

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

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

26 (Source: P.A. 102-700, eff. 4-19-22; 103-363, eff. 7-28-23;

1 103-592, Article 75, Section 75-10, eff. 1-1-25; 103-592,
2 Article 110, Section 110-10, eff. 6-7-24; revised 11-26-24.)

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

5 (35 ILCS 115/3-10)

6 Sec. 3-10. Rate of tax. Unless otherwise provided in this
7 Section, the tax imposed by this Act is at the rate of 6.25% of
8 the "selling price", as defined in Section 2 of the Service Use
9 Tax Act, of the tangible personal property, including, on and
10 after January 1, 2025, tangible personal property transferred
11 by lease. For the purpose of computing this tax, in no event
12 shall the "selling price" be less than the cost price to the
13 serviceman of the tangible personal property transferred. The
14 selling price of each item of tangible personal property
15 transferred as an incident of a sale of service may be shown as
16 a distinct and separate item on the serviceman's billing to
17 the service customer. If the selling price is not so shown, the
18 selling price of the tangible personal property is deemed to
19 be 50% of the serviceman's entire billing to the service
20 customer. When, however, a serviceman contracts to design,
21 develop, and produce special order machinery or equipment, the
22 tax imposed by this Act shall be based on the serviceman's cost
23 price of the tangible personal property transferred incident
24 to the completion of the contract.

1 Beginning on July 1, 2000 and through December 31, 2000,
2 with respect to motor fuel, as defined in Section 1.1 of the
3 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
4 the Use Tax Act, the tax is imposed at the rate of 1.25%.

5 With respect to gasohol, as defined in the Use Tax Act, the
6 tax imposed by this Act shall apply to (i) 70% of the cost
7 price of property transferred as an incident to the sale of
8 service on or after January 1, 1990, and before July 1, 2003,
9 (ii) 80% of the selling price of property transferred as an
10 incident to the sale of service on or after July 1, 2003 and on
11 or before July 1, 2017, (iii) 100% of the selling price of
12 property transferred as an incident to the sale of service
13 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
14 the selling price of property transferred as an incident to
15 the sale of service on or after January 1, 2024 and on or
16 before December 31, 2028, and (v) 100% of the selling price of
17 property transferred as an incident to the sale of service
18 after December 31, 2028. If, at any time, however, the tax
19 under this Act on sales of gasohol, as defined in the Use Tax
20 Act, is imposed at the rate of 1.25%, then the tax imposed by
21 this Act applies to 100% of the proceeds of sales of gasohol
22 made during that time.

23 With respect to mid-range ethanol blends, as defined in
24 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
25 applies to (i) 80% of the selling price of property
26 transferred as an incident to the sale of service on or after

1 January 1, 2024 and on or before December 31, 2028 and (ii)
2 100% of the selling price of property transferred as an
3 incident to the sale of service after December 31, 2028. If, at
4 any time, however, the tax under this Act on sales of mid-range
5 ethanol blends is imposed at the rate of 1.25%, then the tax
6 imposed by this Act applies to 100% of the selling price of
7 mid-range ethanol blends transferred as an incident to the
8 sale of service during that time.

9 With respect to majority blended ethanol fuel, as defined
10 in the Use Tax Act, the tax imposed by this Act does not apply
11 to the selling price of property transferred as an incident to
12 the sale of service on or after July 1, 2003 and on or before
13 December 31, 2028 but applies to 100% of the selling price
14 thereafter.

15 With respect to biodiesel blends, as defined in the Use
16 Tax Act, with no less than 1% and no more than 10% biodiesel,
17 the tax imposed by this Act applies to (i) 80% of the selling
18 price of property transferred as an incident to the sale of
19 service on or after July 1, 2003 and on or before December 31,
20 2018 and (ii) 100% of the proceeds of the selling price after
21 December 31, 2018 and before January 1, 2024. On and after
22 January 1, 2024 and on or before December 31, 2030, the
23 taxation of biodiesel, renewable diesel, and biodiesel blends
24 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
25 at any time, however, the tax under this Act on sales of
26 biodiesel blends, as defined in the Use Tax Act, with no less

1 than 1% and no more than 10% biodiesel is imposed at the rate
2 of 1.25%, then the tax imposed by this Act applies to 100% of
3 the proceeds of sales of biodiesel blends with no less than 1%
4 and no more than 10% biodiesel made during that time.

5 With respect to biodiesel, as defined in the Use Tax Act,
6 and biodiesel blends, as defined in the Use Tax Act, with more
7 than 10% but no more than 99% biodiesel material, the tax
8 imposed by this Act does not apply to the proceeds of the
9 selling price of property transferred as an incident to the
10 sale of service on or after July 1, 2003 and on or before
11 December 31, 2023. On and after January 1, 2024 and on or
12 before December 31, 2030, the taxation of biodiesel, renewable
13 diesel, and biodiesel blends shall be as provided in Section
14 3-5.1 of the Use Tax Act.

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

25 Until July 1, 2022 and from July 1, 2023 through December
26 31, 2025, the tax shall be imposed at the rate of 1% on food

1 prepared for immediate consumption and transferred incident to
2 a sale of service subject to this Act or the Service Use Tax
3 Act by an entity licensed under the Hospital Licensing Act,
4 the Nursing Home Care Act, the Assisted Living and Shared
5 Housing Act, the ID/DD Community Care Act, the MC/DD Act, the
6 Specialized Mental Health Rehabilitation Act of 2013, or the
7 Child Care Act of 1969, or an entity that holds a permit issued
8 pursuant to the Life Care Facilities Act. Until July 1, 2022
9 and from July 1, 2023 through December 31, 2025, the tax shall
10 also be imposed at the rate of 1% on food for human consumption
11 that is to be consumed off the premises where it is sold (other
12 than alcoholic beverages, food consisting of or infused with
13 adult use cannabis, soft drinks, and food that has been
14 prepared for immediate consumption and is not otherwise
15 included in this paragraph).

16 Beginning on July 1, 2022 and until July 1, 2023, the tax
17 shall be imposed at the rate of 0% on food prepared for
18 immediate consumption and transferred incident to a sale of
19 service subject to this Act or the Service Use Tax Act by an
20 entity licensed under the Hospital Licensing Act, the Nursing
21 Home Care Act, the Assisted Living and Shared Housing Act, the
22 ID/DD Community Care Act, the MC/DD Act, the Specialized
23 Mental Health Rehabilitation Act of 2013, or the Child Care
24 Act of 1969, or an entity that holds a permit issued pursuant
25 to the Life Care Facilities Act. Beginning July 1, 2022 and
26 until July 1, 2023, the tax shall also be imposed at the rate

1 of 0% on food for human consumption that is to be consumed off
2 the premises where it is sold (other than alcoholic beverages,
3 food consisting of or infused with adult use cannabis, soft
4 drinks, and food that has been prepared for immediate
5 consumption and is not otherwise included in this paragraph).

6 On and after January 1, 2026, food prepared for immediate
7 consumption and transferred incident to a sale of service
8 subject to this Act or the Service Use Tax Act by an entity
9 licensed under the Hospital Licensing Act, the Nursing Home
10 Care Act, the Assisted Living and Shared Housing Act, the
11 ID/DD Community Care Act, the MC/DD Act, the Specialized
12 Mental Health Rehabilitation Act of 2013, or the Child Care
13 Act of 1969, or an entity that holds a permit issued pursuant
14 to the Life Care Facilities Act is exempt from the tax imposed
15 by this Act. On and after January 1, 2026, food for human
16 consumption that is to be consumed off the premises where it is
17 sold (other than alcoholic beverages, food consisting of or
18 infused with adult use cannabis, soft drinks, candy, and food
19 that has been prepared for immediate consumption and is not
20 otherwise included in this paragraph) is exempt from the tax
21 imposed by this Act.

22 The tax shall be imposed at the rate of 1% on prescription
23 and nonprescription medicines, drugs, medical appliances,
24 products classified as Class III medical devices by the United
25 States Food and Drug Administration that are used for cancer
26 treatment pursuant to a prescription, as well as any

1 accessories and components related to those devices,
2 modifications to a motor vehicle for the purpose of rendering
3 it usable by a person with a disability, and insulin, blood
4 sugar testing materials, syringes, and needles used by human
5 diabetics. For the purposes of this Section, until September
6 1, 2009: the term "soft drinks" means any complete, finished,
7 ready-to-use, non-alcoholic drink, whether carbonated or not,
8 including, but not limited to, soda water, cola, fruit juice,
9 vegetable juice, carbonated water, and all other preparations
10 commonly known as soft drinks of whatever kind or description
11 that are contained in any closed or sealed can, carton, or
12 container, regardless of size; but "soft drinks" does not
13 include coffee, tea, non-carbonated water, infant formula,
14 milk or milk products as defined in the Grade A Pasteurized
15 Milk and Milk Products Act, or drinks containing 50% or more
16 natural fruit or vegetable juice.

17 Notwithstanding any other provisions of this Act,
18 beginning September 1, 2009, "soft drinks" means non-alcoholic
19 beverages that contain natural or artificial sweeteners. "Soft
20 drinks" does not include beverages that contain milk or milk
21 products, soy, rice or similar milk substitutes, or greater
22 than 50% of vegetable or fruit juice by volume.

23 Until August 1, 2009, and notwithstanding any other
24 provisions of this Act, "food for human consumption that is to
25 be consumed off the premises where it is sold" includes all
26 food sold through a vending machine, except soft drinks and

1 food products that are dispensed hot from a vending machine,
2 regardless of the location of the vending machine. Beginning
3 August 1, 2009, and notwithstanding any other provisions of
4 this Act, "food for human consumption that is to be consumed
5 off the premises where it is sold" includes all food sold
6 through a vending machine, except soft drinks, candy, and food
7 products that are dispensed hot from a vending machine,
8 regardless of the location of the vending machine.

9 Notwithstanding any other provisions of this Act,
10 beginning September 1, 2009, "food for human consumption that
11 is to be consumed off the premises where it is sold" does not
12 include candy. For purposes of this Section, "candy" means a
13 preparation of sugar, honey, or other natural or artificial
14 sweeteners in combination with chocolate, fruits, nuts or
15 other ingredients or flavorings in the form of bars, drops, or
16 pieces. "Candy" does not include any preparation that contains
17 flour or requires refrigeration.

18 Notwithstanding any other provisions of this Act,
19 beginning September 1, 2009, "nonprescription medicines and
20 drugs" does not include grooming and hygiene products. For
21 purposes of this Section, "grooming and hygiene products"
22 includes, but is not limited to, soaps and cleaning solutions,
23 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
24 lotions and screens, unless those products are available by
25 prescription only, regardless of whether the products meet the
26 definition of "over-the-counter-drugs". For the purposes of

1 this paragraph, "over-the-counter-drug" means a drug for human
2 use that contains a label that identifies the product as a drug
3 as required by 21 CFR 201.66. The "over-the-counter-drug"
4 label includes:

5 (A) a "Drug Facts" panel; or

6 (B) a statement of the "active ingredient(s)" with a
7 list of those ingredients contained in the compound,
8 substance or preparation.

9 Beginning on January 1, 2014 (the effective date of Public
10 Act 98-122), "prescription and nonprescription medicines and
11 drugs" includes medical cannabis purchased from a registered
12 dispensing organization under the Compassionate Use of Medical
13 Cannabis Program Act.

14 As used in this Section, "adult use cannabis" means
15 cannabis subject to tax under the Cannabis Cultivation
16 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
17 and does not include cannabis subject to tax under the
18 Compassionate Use of Medical Cannabis Program Act.

19 Beginning January 1, 2026, in addition to all other rates
20 of tax imposed under this Act, a surcharge of 3.75% is imposed
21 on the selling price of (i) each firearm purchased in the State
22 and (ii) each firearm component part that is purchased in the
23 State and sold separately from the firearm. "Firearm" has the
24 meaning ascribed to that term in Section 1.1 of the Firearm
25 Owners Identification Card Act.

26 (Source: P.A. 102-4, eff. 4-27-21; 102-16, eff. 6-17-21;

1 102-700, Article 20, Section 20-15, eff. 4-19-22; 102-700,
2 Article 60, Section 60-25, eff. 4-19-22; 103-9, eff. 6-7-23;
3 103-154, eff. 6-30-23; 103-592, eff. 1-1-25; 103-781, eff.
4 8-5-24; revised 11-26-24.)

5 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

6 Sec. 9. Each serviceman required or authorized to collect
7 the tax herein imposed shall pay to the Department the amount
8 of such tax at the time when he is required to file his return
9 for the period during which such tax was collectible, less a
10 discount of 2.1% prior to January 1, 1990, and 1.75% on and
11 after January 1, 1990, or \$5 per calendar year, whichever is
12 greater, which is allowed to reimburse the serviceman for
13 expenses incurred in collecting the tax, keeping records,
14 preparing and filing returns, remitting the tax, and supplying
15 data to the Department on request. Beginning with returns due
16 on or after January 1, 2025, the vendor's discount allowed in
17 this Section, the Retailers' Occupation Tax Act, the Use Tax
18 Act, and the Service Use Tax Act, including any local tax
19 administered by the Department and reported on the same
20 return, shall not exceed \$1,000 per month in the aggregate.
21 When determining the discount allowed under this Section,
22 servicemen shall include the amount of tax that would have
23 been due at the 1% rate but for the 0% rate imposed under
24 Public Act 102-700. The discount under this Section is not
25 allowed for the 1.25% portion of taxes paid on aviation fuel

1 that is subject to the revenue use requirements of 49 U.S.C.
2 47107(b) and 49 U.S.C. 47133. The discount allowed under this
3 Section is allowed only for returns that are filed in the
4 manner required by this Act. The Department may disallow the
5 discount for servicemen whose certificate of registration is
6 revoked at the time the return is filed, but only if the
7 Department's decision to revoke the certificate of
8 registration has become final.

9 Where such tangible personal property is sold under a
10 conditional sales contract, or under any other form of sale
11 wherein the payment of the principal sum, or a part thereof, is
12 extended beyond the close of the period for which the return is
13 filed, the serviceman, in collecting the tax may collect, for
14 each tax return period, only the tax applicable to the part of
15 the selling price actually received during such tax return
16 period.

17 Except as provided hereinafter in this Section, on or
18 before the twentieth day of each calendar month, such
19 serviceman shall file a return for the preceding calendar
20 month in accordance with reasonable rules and regulations to
21 be promulgated by the Department of Revenue. Such return shall
22 be filed on a form prescribed by the Department and shall
23 contain such information as the Department may reasonably
24 require. The return shall include the gross receipts which
25 were received during the preceding calendar month or quarter
26 on the following items upon which tax would have been due but

1 for the 0% rate imposed under Public Act 102-700: (i) food for
2 human consumption that is to be consumed off the premises
3 where it is sold (other than alcoholic beverages, food
4 consisting of or infused with adult use cannabis, soft drinks,
5 and food that has been prepared for immediate consumption);
6 and (ii) food prepared for immediate consumption and
7 transferred incident to a sale of service subject to this Act
8 or the Service Use Tax Act by an entity licensed under the
9 Hospital Licensing Act, the Nursing Home Care Act, the
10 Assisted Living and Shared Housing Act, the ID/DD Community
11 Care Act, the MC/DD Act, the Specialized Mental Health
12 Rehabilitation Act of 2013, or the Child Care Act of 1969, or
13 an entity that holds a permit issued pursuant to the Life Care
14 Facilities Act. The return shall also include the amount of
15 tax that would have been due on the items listed in the
16 previous sentence but for the 0% rate imposed under Public Act
17 102-700.

18 On and after January 1, 2018, with respect to servicemen
19 whose annual gross receipts average \$20,000 or more, all
20 returns required to be filed pursuant to this Act shall be
21 filed electronically. Servicemen who demonstrate that they do
22 not have access to the Internet or demonstrate hardship in
23 filing electronically may petition the Department to waive the
24 electronic filing requirement.

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

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

6 1. The name of the seller;

7 2. The address of the principal place of business from
8 which he engages in business as a serviceman in this
9 State;

10 3. The total amount of taxable receipts received by
11 him during the preceding calendar month, including
12 receipts from charge and time sales, but less all
13 deductions allowed by law;

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

16 5. The amount of tax due;

17 5-5. The signature of the taxpayer; and

18 6. Such other reasonable information as the Department
19 may require.

20 Each serviceman required or authorized to collect the tax
21 herein imposed on aviation fuel acquired as an incident to the
22 purchase of a service in this State during the preceding
23 calendar month shall, instead of reporting and paying tax as
24 otherwise required by this Section, report and pay such tax on
25 a separate aviation fuel tax return. The requirements related
26 to the return shall be as otherwise provided in this Section.

1 Notwithstanding any other provisions of this Act to the
2 contrary, servicemen transferring aviation fuel incident to
3 sales of service shall file all aviation fuel tax returns and
4 shall make all aviation fuel tax payments by electronic means
5 in the manner and form required by the Department. For
6 purposes of this Section, "aviation fuel" means jet fuel and
7 aviation gasoline.

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

12 Notwithstanding any other provision of this Act to the
13 contrary, servicemen subject to tax on cannabis shall file all
14 cannabis tax returns and shall make all cannabis tax payments
15 by electronic means in the manner and form required by the
16 Department.

17 Prior to October 1, 2003, and on and after September 1,
18 2004 a serviceman may accept a Manufacturer's Purchase Credit
19 certification from a purchaser in satisfaction of Service Use
20 Tax as provided in Section 3-70 of the Service Use Tax Act if
21 the purchaser provides the appropriate documentation as
22 required by Section 3-70 of the Service Use Tax Act. A
23 Manufacturer's Purchase Credit certification, accepted prior
24 to October 1, 2003 or on or after September 1, 2004 by a
25 serviceman as provided in Section 3-70 of the Service Use Tax
26 Act, may be used by that serviceman to satisfy Service

1 Occupation Tax liability in the amount claimed in the
2 certification, not to exceed 6.25% of the receipts subject to
3 tax from a qualifying purchase. A Manufacturer's Purchase
4 Credit reported on any original or amended return filed under
5 this Act after October 20, 2003 for reporting periods prior to
6 September 1, 2004 shall be disallowed. Manufacturer's Purchase
7 Credit reported on annual returns due on or after January 1,
8 2005 will be disallowed for periods prior to September 1,
9 2004. No Manufacturer's Purchase Credit may be used after
10 September 30, 2003 through August 31, 2004 to satisfy any tax
11 liability imposed under this Act, including any audit
12 liability.

13 Beginning on July 1, 2023 and through December 31, 2032, a
14 serviceman may accept a Sustainable Aviation Fuel Purchase
15 Credit certification from an air common carrier-purchaser in
16 satisfaction of Service Use Tax as provided in Section 3-72 of
17 the Service Use Tax Act if the purchaser provides the
18 appropriate documentation as required by Section 3-72 of the
19 Service Use Tax Act. A Sustainable Aviation Fuel Purchase
20 Credit certification accepted by a serviceman in accordance
21 with this paragraph may be used by that serviceman to satisfy
22 service occupation tax liability (but not in satisfaction of
23 penalty or interest) in the amount claimed in the
24 certification, not to exceed 6.25% of the receipts subject to
25 tax from a sale of aviation fuel. In addition, for a sale of
26 aviation fuel to qualify to earn the Sustainable Aviation Fuel

1 Purchase Credit, servicemen must retain in their books and
2 records a certification from the producer of the aviation fuel
3 that the aviation fuel sold by the serviceman and for which a
4 sustainable aviation fuel purchase credit was earned meets the
5 definition of sustainable aviation fuel under Section 3-72 of
6 the Service Use Tax Act. The documentation must include detail
7 sufficient for the Department to determine the number of
8 gallons of sustainable aviation fuel sold.

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

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

23 Such quarter annual and annual returns, as to form and
24 substance, shall be subject to the same requirements as
25 monthly returns.

26 Notwithstanding any other provision in this Act concerning

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

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

1 immediately preceding calendar year divided by 12. Beginning
2 on October 1, 2002, a taxpayer who has a tax liability in the
3 amount set forth in subsection (b) of Section 2505-210 of the
4 Department of Revenue Law shall make all payments required by
5 rules of the Department by electronic funds transfer.

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

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

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

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

21 Where a serviceman collects the tax with respect to the
22 selling price of tangible personal property which he sells and
23 the purchaser thereafter returns such tangible personal
24 property and the serviceman refunds the selling price thereof
25 to the purchaser, such serviceman shall also refund, to the
26 purchaser, the tax so collected from the purchaser. When

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

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

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

23 Beginning January 1, 1990, each month the Department shall
24 pay into the Local Government Tax Fund the revenue realized
25 for the preceding month from the 1% tax imposed under this Act.

26 Beginning January 1, 1990, each month the Department shall

1 pay into the County and Mass Transit District Fund 4% of the
2 revenue realized for the preceding month from the 6.25%
3 general rate on sales of tangible personal property other than
4 aviation fuel sold on or after December 1, 2019. This
5 exception for aviation fuel only applies for so long as the
6 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
7 47133 are binding on the State.

8 Beginning February 1, 2026, each month the Department
9 shall pay into the County and Mass Transit District Fund 4% of
10 the net revenue realized for the preceding month from the
11 3.75% surcharge imposed on the selling price of firearms and
12 firearm component parts.

13 Beginning August 1, 2000, each month the Department shall
14 pay into the County and Mass Transit District Fund 20% of the
15 net revenue realized for the preceding month from the 1.25%
16 rate on the selling price of motor fuel and gasohol.

17 Beginning January 1, 1990, each month the Department shall
18 pay into the Local Government Tax Fund 16% of the revenue
19 realized for the preceding month from the 6.25% general rate
20 on transfers of tangible personal property other than aviation
21 fuel sold on or after December 1, 2019. This exception for
22 aviation fuel only applies for so long as the revenue use
23 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
24 binding on the State.

25 Beginning February 1, 2026, each month the Department
26 shall pay into the Local Government Tax Fund 16% of the net

1 revenue realized for the preceding month from the 3.75%
2 surcharge imposed on the selling price of firearms and firearm
3 component parts.

4 For aviation fuel sold on or after December 1, 2019, each
5 month the Department shall pay into the State Aviation Program
6 Fund 20% of the net revenue realized for the preceding month
7 from the 6.25% general rate on the selling price of aviation
8 fuel, less an amount estimated by the Department to be
9 required for refunds of the 20% portion of the tax on aviation
10 fuel under this Act, which amount shall be deposited into the
11 Aviation Fuel Sales Tax Refund Fund. The Department shall only
12 pay moneys into the State Aviation Program Fund and the
13 Aviation Fuel Sales Tax Refund Fund under this Act for so long
14 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
15 U.S.C. 47133 are binding on the State.

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

20 Beginning October 1, 2009, each month the Department shall
21 pay into the Capital Projects Fund an amount that is equal to
22 an amount estimated by the Department to represent 80% of the
23 net revenue realized for the preceding month from the sale of
24 candy, grooming and hygiene products, and soft drinks that had
25 been taxed at a rate of 1% prior to September 1, 2009 but that
26 are now taxed at 6.25%.

1 Beginning July 1, 2013, each month the Department shall
2 pay into the Underground Storage Tank Fund from the proceeds
3 collected under this Act, the Use Tax Act, the Service Use Tax
4 Act, and the Retailers' Occupation Tax Act an amount equal to
5 the average monthly deficit in the Underground Storage Tank
6 Fund during the prior year, as certified annually by the
7 Illinois Environmental Protection Agency, but the total
8 payment into the Underground Storage Tank Fund under this Act,
9 the Use Tax Act, the Service Use Tax Act, and the Retailers'
10 Occupation Tax Act shall not exceed \$18,000,000 in any State
11 fiscal year. As used in this paragraph, the "average monthly
12 deficit" shall be equal to the difference between the average
13 monthly claims for payment by the fund and the average monthly
14 revenues deposited into the fund, excluding payments made
15 pursuant to this paragraph.

16 Beginning July 1, 2015, of the remainder of the moneys
17 received by the Department under the Use Tax Act, the Service
18 Use Tax Act, this Act, and the Retailers' Occupation Tax Act,
19 each month the Department shall deposit \$500,000 into the
20 State Crime Laboratory Fund.

21 Of the remainder of the moneys received by the Department
22 pursuant to this Act, (a) 1.75% thereof shall be paid into the
23 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on
24 and after July 1, 1989, 3.8% thereof shall be paid into the
25 Build Illinois Fund; provided, however, that if in any fiscal
26 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case

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

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

1 shall be deemed to constitute payments pursuant to clause (b)
 2 of the preceding sentence and shall reduce the amount
 3 otherwise payable for such fiscal year pursuant to clause (b)
 4 of the preceding sentence. The moneys received by the
 5 Department pursuant to this Act and required to be deposited
 6 into the Build Illinois Fund are subject to the pledge, claim
 7 and charge set forth in Section 12 of the Build Illinois Bond
 8 Act.

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

21	Fiscal Year	Total Deposit
22	1993	\$0
23	1994	53,000,000
24	1995	58,000,000
25	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	300,000,000
26	2022	300,000,000

1	2023	300,000,000
2	2024	300,000,000
3	2025	300,000,000
4	2026	300,000,000
5	2027	375,000,000
6	2028	375,000,000
7	2029	375,000,000
8	2030	375,000,000
9	2031	375,000,000
10	2032	375,000,000
11	2033	375,000,000
12	2034	375,000,000
13	2035	375,000,000
14	2036	450,000,000

15 and
16 each fiscal year
17 thereafter that bonds
18 are outstanding under
19 Section 13.2 of the
20 Metropolitan Pier and
21 Exposition Authority Act,
22 but not after fiscal year 2060.

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount

1 deposited into the McCormick Place Expansion Project Fund by
2 the State Treasurer in the respective month under subsection
3 (g) of Section 13 of the Metropolitan Pier and Exposition
4 Authority Act, plus cumulative deficiencies in the deposits
5 required under this Section for previous months and years,
6 shall be deposited into the McCormick Place Expansion Project
7 Fund, until the full amount requested for the fiscal year, but
8 not in excess of the amount specified above as "Total
9 Deposit", has been deposited.

10 Subject to payment of amounts into the Capital Projects
11 Fund, the Build Illinois Fund, and the McCormick Place
12 Expansion Project Fund pursuant to the preceding paragraphs or
13 in any amendments thereto hereafter enacted, for aviation fuel
14 sold on or after December 1, 2019, the Department shall each
15 month deposit into the Aviation Fuel Sales Tax Refund Fund an
16 amount estimated by the Department to be required for refunds
17 of the 80% portion of the tax on aviation fuel under this Act.
18 The Department shall only deposit moneys into the Aviation
19 Fuel Sales Tax Refund Fund under this paragraph for so long as
20 the revenue use requirements of 49 U.S.C. 47107(b) and 49
21 U.S.C. 47133 are binding on the State.

22 Subject to payment of amounts into the Build Illinois Fund
23 and the McCormick Place Expansion Project Fund pursuant to the
24 preceding paragraphs or in any amendments thereto hereafter
25 enacted, beginning July 1, 1993 and ending on September 30,
26 2013, the Department shall each month pay into the Illinois

1 Tax Increment Fund 0.27% of 80% of the net revenue realized for
2 the preceding month from the 6.25% general rate on the selling
3 price of tangible personal property.

4 Subject to payment of amounts into the Build Illinois
5 Fund, the McCormick Place Expansion Project Fund, and the
6 Illinois Tax Increment Fund pursuant to the preceding
7 paragraphs or in any amendments to this Section hereafter
8 enacted, beginning on the first day of the first calendar
9 month to occur on or after August 26, 2014 (the effective date
10 of Public Act 98-1098), each month, from the collections made
11 under Section 9 of the Use Tax Act, Section 9 of the Service
12 Use Tax Act, Section 9 of the Service Occupation Tax Act, and
13 Section 3 of the Retailers' Occupation Tax Act, the Department
14 shall pay into the Tax Compliance and Administration Fund, to
15 be used, subject to appropriation, to fund additional auditors
16 and compliance personnel at the Department of Revenue, an
17 amount equal to 1/12 of 5% of 80% of the cash receipts
18 collected during the preceding fiscal year by the Audit Bureau
19 of the Department under the Use Tax Act, the Service Use Tax
20 Act, the Service Occupation Tax Act, the Retailers' Occupation
21 Tax Act, and associated local occupation and use taxes
22 administered by the Department.

23 Subject to payments of amounts into the Build Illinois
24 Fund, the McCormick Place Expansion Project Fund, the Illinois
25 Tax Increment Fund, and the Tax Compliance and Administration
26 Fund as provided in this Section, beginning on July 1, 2018 the

1 Department shall pay each month into the Downstate Public
2 Transportation Fund the moneys required to be so paid under
3 Section 2-3 of the Downstate Public Transportation Act.

4 Subject to successful execution and delivery of a
5 public-private agreement between the public agency and private
6 entity and completion of the civic build, beginning on July 1,
7 2023, of the remainder of the moneys received by the
8 Department under the Use Tax Act, the Service Use Tax Act, the
9 Service Occupation Tax Act, and this Act, the Department shall
10 deposit the following specified deposits in the aggregate from
11 collections under the Use Tax Act, the Service Use Tax Act, the
12 Service Occupation Tax Act, and the Retailers' Occupation Tax
13 Act, as required under Section 8.25g of the State Finance Act
14 for distribution consistent with the Public-Private
15 Partnership for Civic and Transit Infrastructure Project Act.
16 The moneys received by the Department pursuant to this Act and
17 required to be deposited into the Civic and Transit
18 Infrastructure Fund are subject to the pledge, claim and
19 charge set forth in Section 25-55 of the Public-Private
20 Partnership for Civic and Transit Infrastructure Project Act.
21 As used in this paragraph, "civic build", "private entity",
22 "public-private agreement", and "public agency" have the
23 meanings provided in Section 25-10 of the Public-Private
24 Partnership for Civic and Transit Infrastructure Project Act.

25	Fiscal Year.....	Total Deposit
26	2024	\$200,000,000

1	2025	.....	\$206,000,000
2	2026	.....	\$212,200,000
3	2027	.....	\$218,500,000
4	2028	.....	\$225,100,000
5	2029	.....	\$288,700,000
6	2030	.....	\$298,900,000
7	2031	.....	\$309,300,000
8	2032	.....	\$320,100,000
9	2033	.....	\$331,200,000
10	2034	.....	\$341,200,000
11	2035	.....	\$351,400,000
12	2036	.....	\$361,900,000
13	2037	.....	\$372,800,000
14	2038	.....	\$384,000,000
15	2039	.....	\$395,500,000
16	2040	.....	\$407,400,000
17	2041	.....	\$419,600,000
18	2042	.....	\$432,200,000
19	2043	.....	\$445,100,000

20 Beginning July 1, 2021 and until July 1, 2022, subject to
21 the payment of amounts into the County and Mass Transit
22 District Fund, the Local Government Tax Fund, the Build
23 Illinois Fund, the McCormick Place Expansion Project Fund, the
24 Illinois Tax Increment Fund, and the Tax Compliance and
25 Administration Fund as provided in this Section, the
26 Department shall pay each month into the Road Fund the amount

1 estimated to represent 16% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2022 and until July 1, 2023, subject to the payment of amounts
4 into the County and Mass Transit District Fund, the Local
5 Government Tax Fund, the Build Illinois Fund, the McCormick
6 Place Expansion Project Fund, the Illinois Tax Increment Fund,
7 and the Tax Compliance and Administration Fund as provided in
8 this Section, the Department shall pay each month into the
9 Road Fund the amount estimated to represent 32% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning July 1, 2023 and until July 1, 2024,
12 subject to the payment of amounts into the County and Mass
13 Transit District Fund, the Local Government Tax Fund, the
14 Build Illinois Fund, the McCormick Place Expansion Project
15 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
16 and Administration Fund as provided in this Section, the
17 Department shall pay each month into the Road Fund the amount
18 estimated to represent 48% of the net revenue realized from
19 the taxes imposed on motor fuel and gasohol. Beginning July 1,
20 2024 and until July 1, 2025, subject to the payment of amounts
21 into the County and Mass Transit District Fund, the Local
22 Government Tax Fund, the Build Illinois Fund, the McCormick
23 Place Expansion Project Fund, the Illinois Tax Increment Fund,
24 and the Tax Compliance and Administration Fund as provided in
25 this Section, the Department shall pay each month into the
26 Road Fund the amount estimated to represent 64% of the net

1 revenue realized from the taxes imposed on motor fuel and
2 gasohol. Beginning on July 1, 2025, subject to the payment of
3 amounts into the County and Mass Transit District Fund, the
4 Local Government Tax Fund, the Build Illinois Fund, the
5 McCormick Place Expansion Project Fund, the Illinois Tax
6 Increment Fund, and the Tax Compliance and Administration Fund
7 as provided in this Section, the Department shall pay each
8 month into the Road Fund the amount estimated to represent 80%
9 of the net revenue realized from the taxes imposed on motor
10 fuel and gasohol. As used in this paragraph "motor fuel" has
11 the meaning given to that term in Section 1.1 of the Motor Fuel
12 Tax Law, and "gasohol" has the meaning given to that term in
13 Section 3-40 of the Use Tax Act.

14 Of the remainder of the moneys received by the Department
15 pursuant to this Act, 75% shall be paid into the General
16 Revenue Fund of the State treasury and 25% shall be reserved in
17 a special account and used only for the transfer to the Common
18 School Fund as part of the monthly transfer from the General
19 Revenue Fund in accordance with Section 8a of the State
20 Finance Act.

21 The Department may, upon separate written notice to a
22 taxpayer, require the taxpayer to prepare and file with the
23 Department on a form prescribed by the Department within not
24 less than 60 days after receipt of the notice an annual
25 information return for the tax year specified in the notice.
26 Such annual return to the Department shall include a statement

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

18 If the annual information return required by this Section
19 is not filed when and as required, the taxpayer shall be liable
20 as follows:

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

1 any other penalty provided for in this Act.

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

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

13 The foregoing portion of this Section concerning the
14 filing of an annual information return shall not apply to a
15 serviceman who is not required to file an income tax return
16 with the United States Government.

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

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

1 overpayment of liability.

2 For greater simplicity of administration, it shall be
3 permissible for manufacturers, importers and wholesalers whose
4 products are sold by numerous servicemen in Illinois, and who
5 wish to do so, to assume the responsibility for accounting and
6 paying to the Department all tax accruing under this Act with
7 respect to such sales, if the servicemen who are affected do
8 not make written objection to the Department to this
9 arrangement.

10 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
11 103-363, eff. 7-28-23; 103-592, eff. 6-7-24; 103-605, eff.
12 7-1-24.)

13 Section 20. The Retailers' Occupation Tax Act is amended
14 by changing Sections 2-10 and 3 as follows:

15 (35 ILCS 120/2-10)

16 Sec. 2-10. Rate of tax. Unless otherwise provided in this
17 Section, the tax imposed by this Act is at the rate of 6.25% of
18 gross receipts from sales, which, on and after January 1,
19 2025, includes leases, of tangible personal property made in
20 the course of business.

21 Beginning on July 1, 2000 and through December 31, 2000,
22 with respect to motor fuel, as defined in Section 1.1 of the
23 Motor Fuel Tax Law, and gasohol, as defined in Section 3-40 of
24 the Use Tax Act, the tax is imposed at the rate of 1.25%.

1 Beginning on August 6, 2010 through August 15, 2010, and
2 beginning again on August 5, 2022 through August 14, 2022,
3 with respect to sales tax holiday items as defined in Section
4 2-8 of this Act, the tax is imposed at the rate of 1.25%.

5 Within 14 days after July 1, 2000 (the effective date of
6 Public Act 91-872), each retailer of motor fuel and gasohol
7 shall cause the following notice to be posted in a prominently
8 visible place on each retail dispensing device that is used to
9 dispense motor fuel or gasohol in the State of Illinois: "As of
10 July 1, 2000, the State of Illinois has eliminated the State's
11 share of sales tax on motor fuel and gasohol through December
12 31, 2000. The price on this pump should reflect the
13 elimination of the tax." The notice shall be printed in bold
14 print on a sign that is no smaller than 4 inches by 8 inches.
15 The sign shall be clearly visible to customers. Any retailer
16 who fails to post or maintain a required sign through December
17 31, 2000 is guilty of a petty offense for which the fine shall
18 be \$500 per day per each retail premises where a violation
19 occurs.

20 With respect to gasohol, as defined in the Use Tax Act, the
21 tax imposed by this Act applies to (i) 70% of the proceeds of
22 sales made on or after January 1, 1990, and before July 1,
23 2003, (ii) 80% of the proceeds of sales made on or after July
24 1, 2003 and on or before July 1, 2017, (iii) 100% of the
25 proceeds of sales made after July 1, 2017 and prior to January
26 1, 2024, (iv) 90% of the proceeds of sales made on or after

1 January 1, 2024 and on or before December 31, 2028, and (v)
2 100% of the proceeds of sales made after December 31, 2028. If,
3 at any time, however, the tax under this Act on sales of
4 gasohol, as defined in the Use Tax Act, is imposed at the rate
5 of 1.25%, then the tax imposed by this Act applies to 100% of
6 the proceeds of sales of gasohol made during that time.

7 With respect to mid-range ethanol blends, as defined in
8 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
9 applies to (i) 80% of the proceeds of sales made on or after
10 January 1, 2024 and on or before December 31, 2028 and (ii)
11 100% of the proceeds of sales made after December 31, 2028. If,
12 at any time, however, the tax under this Act on sales of
13 mid-range ethanol blends is imposed at the rate of 1.25%, then
14 the tax imposed by this Act applies to 100% of the proceeds of
15 sales of mid-range ethanol blends made during that time.

16 With respect to majority blended ethanol fuel, as defined
17 in the Use Tax Act, the tax imposed by this Act does not apply
18 to the proceeds of sales made on or after July 1, 2003 and on
19 or before December 31, 2028 but applies to 100% of the proceeds
20 of sales made thereafter.

21 With respect to biodiesel blends, as defined in the Use
22 Tax Act, with no less than 1% and no more than 10% biodiesel,
23 the tax imposed by this Act applies to (i) 80% of the proceeds
24 of sales made on or after July 1, 2003 and on or before
25 December 31, 2018 and (ii) 100% of the proceeds of sales made
26 after December 31, 2018 and before January 1, 2024. On and

1 after January 1, 2024 and on or before December 31, 2030, the
2 taxation of biodiesel, renewable diesel, and biodiesel blends
3 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
4 at any time, however, the tax under this Act on sales of
5 biodiesel blends, as defined in the Use Tax Act, with no less
6 than 1% and no more than 10% biodiesel is imposed at the rate
7 of 1.25%, then the tax imposed by this Act applies to 100% of
8 the proceeds of sales of biodiesel blends with no less than 1%
9 and no more than 10% biodiesel made during that time.

10 With respect to biodiesel, as defined in the Use Tax Act,
11 and biodiesel blends, as defined in the Use Tax Act, with more
12 than 10% but no more than 99% biodiesel, the tax imposed by
13 this Act does not apply to the proceeds of sales made on or
14 after July 1, 2003 and on or before December 31, 2023. On and
15 after January 1, 2024 and on or before December 31, 2030, the
16 taxation of biodiesel, renewable diesel, and biodiesel blends
17 shall be as provided in Section 3-5.1 of the Use Tax Act.

18 Until July 1, 2022 and from July 1, 2023 through December
19 31, 2025, with respect to food for human consumption that is to
20 be consumed off the premises where it is sold (other than
21 alcoholic beverages, food consisting of or infused with adult
22 use cannabis, soft drinks, and food that has been prepared for
23 immediate consumption), the tax is imposed at the rate of 1%.
24 Beginning July 1, 2022 and until July 1, 2023, with respect to
25 food for human consumption that is to be consumed off the
26 premises where it is sold (other than alcoholic beverages,

1 food consisting of or infused with adult use cannabis, soft
2 drinks, and food that has been prepared for immediate
3 consumption), the tax is imposed at the rate of 0%. On and
4 after January 1, 2026, food for human consumption that is to be
5 consumed off the premises where it is sold (other than
6 alcoholic beverages, food consisting of or infused with adult
7 use cannabis, soft drinks, candy, and food that has been
8 prepared for immediate consumption) is exempt from the tax
9 imposed by this Act.

10 With respect to prescription and nonprescription
11 medicines, drugs, medical appliances, products classified as
12 Class III medical devices by the United States Food and Drug
13 Administration that are used for cancer treatment pursuant to
14 a prescription, as well as any accessories and components
15 related to those devices, modifications to a motor vehicle for
16 the purpose of rendering it usable by a person with a
17 disability, and insulin, blood sugar testing materials,
18 syringes, and needles used by human diabetics, the tax is
19 imposed at the rate of 1%. For the purposes of this Section,
20 until September 1, 2009: the term "soft drinks" means any
21 complete, finished, ready-to-use, non-alcoholic drink, whether
22 carbonated or not, including, but not limited to, soda water,
23 cola, fruit juice, vegetable juice, carbonated water, and all
24 other preparations commonly known as soft drinks of whatever
25 kind or description that are contained in any closed or sealed
26 bottle, can, carton, or container, regardless of size; but

1 "soft drinks" does not include coffee, tea, non-carbonated
2 water, infant formula, milk or milk products as defined in the
3 Grade A Pasteurized Milk and Milk Products Act, or drinks
4 containing 50% or more natural fruit or vegetable juice.

5 Notwithstanding any other provisions of this Act,
6 beginning September 1, 2009, "soft drinks" means non-alcoholic
7 beverages that contain natural or artificial sweeteners. "Soft
8 drinks" does not include beverages that contain milk or milk
9 products, soy, rice or similar milk substitutes, or greater
10 than 50% of vegetable or fruit juice by volume.

11 Until August 1, 2009, and notwithstanding any other
12 provisions of this Act, "food for human consumption that is to
13 be consumed off the premises where it is sold" includes all
14 food sold through a vending machine, except soft drinks and
15 food products that are dispensed hot from a vending machine,
16 regardless of the location of the vending machine. Beginning
17 August 1, 2009, and notwithstanding any other provisions of
18 this Act, "food for human consumption that is to be consumed
19 off the premises where it is sold" includes all food sold
20 through a vending machine, except soft drinks, candy, and food
21 products that are dispensed hot from a vending machine,
22 regardless of the location of the vending machine.

23 Notwithstanding any other provisions of this Act,
24 beginning September 1, 2009, "food for human consumption that
25 is to be consumed off the premises where it is sold" does not
26 include candy. For purposes of this Section, "candy" means a

1 preparation of sugar, honey, or other natural or artificial
2 sweeteners in combination with chocolate, fruits, nuts or
3 other ingredients or flavorings in the form of bars, drops, or
4 pieces. "Candy" does not include any preparation that contains
5 flour or requires refrigeration.

6 Notwithstanding any other provisions of this Act,
7 beginning September 1, 2009, "nonprescription medicines and
8 drugs" does not include grooming and hygiene products. For
9 purposes of this Section, "grooming and hygiene products"
10 includes, but is not limited to, soaps and cleaning solutions,
11 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan
12 lotions and screens, unless those products are available by
13 prescription only, regardless of whether the products meet the
14 definition of "over-the-counter-drugs". For the purposes of
15 this paragraph, "over-the-counter-drug" means a drug for human
16 use that contains a label that identifies the product as a drug
17 as required by 21 CFR 201.66. The "over-the-counter-drug"
18 label includes:

19 (A) a "Drug Facts" panel; or

20 (B) a statement of the "active ingredient(s)" with a
21 list of those ingredients contained in the compound,
22 substance or preparation.

23 Beginning on January 1, 2014 (the effective date of Public
24 Act 98-122), "prescription and nonprescription medicines and
25 drugs" includes medical cannabis purchased from a registered
26 dispensing organization under the Compassionate Use of Medical

1 Cannabis Program Act.

2 As used in this Section, "adult use cannabis" means
3 cannabis subject to tax under the Cannabis Cultivation
4 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
5 and does not include cannabis subject to tax under the
6 Compassionate Use of Medical Cannabis Program Act.

7 Beginning January 1, 2026, in addition to all other rates
8 of tax imposed under this Act, a surcharge of 3.75% is imposed
9 on the selling price of (i) each firearm purchased in the State
10 and (ii) each firearm component part that is purchased in the
11 State and sold separately from the firearm. "Firearm" has the
12 meaning ascribed to that term in Section 1.1 of the Firearm
13 Owners Identification Card Act.

14 (Source: P.A. 102-4, eff. 4-27-21; 102-700, Article 20,
15 Section 20-20, eff. 4-19-22; 102-700, Article 60, Section
16 60-30, eff. 4-19-22; 102-700, Article 65, Section 65-10, eff.
17 4-19-22; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-592,
18 eff. 1-1-25; 103-781, eff. 8-5-24; revised 11-26-24.)

19 (35 ILCS 120/3)

20 Sec. 3. Except as provided in this Section, on or before
21 the twentieth day of each calendar month, every person engaged
22 in the business of selling, which, on and after January 1,
23 2025, includes leasing, tangible personal property at retail
24 in this State during the preceding calendar month shall file a
25 return with the Department, stating:

- 1 1. The name of the seller;
- 2 2. His residence address and the address of his
3 principal place of business and the address of the
4 principal place of business (if that is a different
5 address) from which he engages in the business of selling
6 tangible personal property at retail in this State;
- 7 3. Total amount of receipts received by him during the
8 preceding calendar month or quarter, as the case may be,
9 from sales of tangible personal property, and from
10 services furnished, by him during such preceding calendar
11 month or quarter;
- 12 4. Total amount received by him during the preceding
13 calendar month or quarter on charge and time sales of
14 tangible personal property, and from services furnished,
15 by him prior to the month or quarter for which the return
16 is filed;
- 17 5. Deductions allowed by law;
- 18 6. Gross receipts which were received by him during
19 the preceding calendar month or quarter and upon the basis
20 of which the tax is imposed, including gross receipts on
21 food for human consumption that is to be consumed off the
22 premises where it is sold (other than alcoholic beverages,
23 food consisting of or infused with adult use cannabis,
24 soft drinks, and food that has been prepared for immediate
25 consumption) which were received during the preceding
26 calendar month or quarter and upon which tax would have

1 been due but for the 0% rate imposed under Public Act
2 102-700;

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

5 8. The amount of tax due, including the amount of tax
6 that would have been due on food for human consumption
7 that is to be consumed off the premises where it is sold
8 (other than alcoholic beverages, food consisting of or
9 infused with adult use cannabis, soft drinks, and food
10 that has been prepared for immediate consumption) but for
11 the 0% rate imposed under Public Act 102-700;

12 9. The signature of the taxpayer; and

13 10. Such other reasonable information as the
14 Department may require.

15 In the case of leases, except as otherwise provided in
16 this Act, the lessor must remit for each tax return period only
17 the tax applicable to that part of the selling price actually
18 received during such tax return period.

19 On and after January 1, 2018, except for returns required
20 to be filed prior to January 1, 2023 for motor vehicles,
21 watercraft, aircraft, and trailers that are required to be
22 registered with an agency of this State, with respect to
23 retailers whose annual gross receipts average \$20,000 or more,
24 all returns required to be filed pursuant to this Act shall be
25 filed electronically. On and after January 1, 2023, with
26 respect to retailers whose annual gross receipts average

1 \$20,000 or more, all returns required to be filed pursuant to
2 this Act, including, but not limited to, returns for motor
3 vehicles, watercraft, aircraft, and trailers that are required
4 to be registered with an agency of this State, shall be filed
5 electronically. Retailers who demonstrate that they do not
6 have access to the Internet or demonstrate hardship in filing
7 electronically may petition the Department to waive the
8 electronic filing requirement.

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

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

16 Prior to October 1, 2003 and on and after September 1,
17 2004, a retailer may accept a Manufacturer's Purchase Credit
18 certification from a purchaser in satisfaction of Use Tax as
19 provided in Section 3-85 of the Use Tax Act if the purchaser
20 provides the appropriate documentation as required by Section
21 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
22 certification, accepted by a retailer prior to October 1, 2003
23 and on and after September 1, 2004 as provided in Section 3-85
24 of the Use Tax Act, may be used by that retailer to satisfy
25 Retailers' Occupation Tax liability in the amount claimed in
26 the certification, not to exceed 6.25% of the receipts subject

1 to tax from a qualifying purchase. A Manufacturer's Purchase
2 Credit reported on any original or amended return filed under
3 this Act after October 20, 2003 for reporting periods prior to
4 September 1, 2004 shall be disallowed. Manufacturer's Purchase
5 Credit reported on annual returns due on or after January 1,
6 2005 will be disallowed for periods prior to September 1,
7 2004. No Manufacturer's Purchase Credit may be used after
8 September 30, 2003 through August 31, 2004 to satisfy any tax
9 liability imposed under this Act, including any audit
10 liability.

11 Beginning on July 1, 2023 and through December 31, 2032, a
12 retailer may accept a Sustainable Aviation Fuel Purchase
13 Credit certification from an air common carrier-purchaser in
14 satisfaction of Use Tax on aviation fuel as provided in
15 Section 3-87 of the Use Tax Act if the purchaser provides the
16 appropriate documentation as required by Section 3-87 of the
17 Use Tax Act. A Sustainable Aviation Fuel Purchase Credit
18 certification accepted by a retailer in accordance with this
19 paragraph may be used by that retailer to satisfy Retailers'
20 Occupation Tax liability (but not in satisfaction of penalty
21 or interest) in the amount claimed in the certification, not
22 to exceed 6.25% of the receipts subject to tax from a sale of
23 aviation fuel. In addition, for a sale of aviation fuel to
24 qualify to earn the Sustainable Aviation Fuel Purchase Credit,
25 retailers must retain in their books and records a
26 certification from the producer of the aviation fuel that the

1 aviation fuel sold by the retailer and for which a sustainable
2 aviation fuel purchase credit was earned meets the definition
3 of sustainable aviation fuel under Section 3-87 of the Use Tax
4 Act. The documentation must include detail sufficient for the
5 Department to determine the number of gallons of sustainable
6 aviation fuel sold.

7 The Department may require returns to be filed on a
8 quarterly basis. If so required, a return for each calendar
9 quarter shall be filed on or before the twentieth day of the
10 calendar month following the end of such calendar quarter. The
11 taxpayer shall also file a return with the Department for each
12 of the first 2 months of each calendar quarter, on or before
13 the twentieth day of the following calendar month, stating:

- 14 1. The name of the seller;
- 15 2. The address of the principal place of business from
16 which he engages in the business of selling tangible
17 personal property at retail in this State;
- 18 3. The total amount of taxable receipts received by
19 him during the preceding calendar month from sales of
20 tangible personal property by him during such preceding
21 calendar month, including receipts from charge and time
22 sales, but less all deductions allowed by law;
- 23 4. The amount of credit provided in Section 2d of this
24 Act;
- 25 5. The amount of tax due; and
- 26 6. Such other reasonable information as the Department

1 may require.

2 Every person engaged in the business of selling aviation
3 fuel at retail in this State during the preceding calendar
4 month shall, instead of reporting and paying tax as otherwise
5 required by this Section, report and pay such tax on a separate
6 aviation fuel tax return. The requirements related to the
7 return shall be as otherwise provided in this Section.
8 Notwithstanding any other provisions of this Act to the
9 contrary, retailers selling aviation fuel shall file all
10 aviation fuel tax returns and shall make all aviation fuel tax
11 payments by electronic means in the manner and form required
12 by the Department. For purposes of this Section, "aviation
13 fuel" means jet fuel and aviation gasoline.

14 Beginning on October 1, 2003, any person who is not a
15 licensed distributor, importing distributor, or manufacturer,
16 as defined in the Liquor Control Act of 1934, but is engaged in
17 the business of selling, at retail, alcoholic liquor shall
18 file a statement with the Department of Revenue, in a format
19 and at a time prescribed by the Department, showing the total
20 amount paid for alcoholic liquor purchased during the
21 preceding month and such other information as is reasonably
22 required by the Department. The Department may adopt rules to
23 require that this statement be filed in an electronic or
24 telephonic format. Such rules may provide for exceptions from
25 the filing requirements of this paragraph. For the purposes of
26 this paragraph, the term "alcoholic liquor" shall have the

1 meaning prescribed in the Liquor Control Act of 1934.

2 Beginning on October 1, 2003, every distributor, importing
3 distributor, and manufacturer of alcoholic liquor as defined
4 in the Liquor Control Act of 1934, shall file a statement with
5 the Department of Revenue, no later than the 10th day of the
6 month for the preceding month during which transactions
7 occurred, by electronic means, showing the total amount of
8 gross receipts from the sale of alcoholic liquor sold or
9 distributed during the preceding month to purchasers;
10 identifying the purchaser to whom it was sold or distributed;
11 the purchaser's tax registration number; and such other
12 information reasonably required by the Department. A
13 distributor, importing distributor, or manufacturer of
14 alcoholic liquor must personally deliver, mail, or provide by
15 electronic means to each retailer listed on the monthly
16 statement a report containing a cumulative total of that
17 distributor's, importing distributor's, or manufacturer's
18 total sales of alcoholic liquor to that retailer no later than
19 the 10th day of the month for the preceding month during which
20 the transaction occurred. The distributor, importing
21 distributor, or manufacturer shall notify the retailer as to
22 the method by which the distributor, importing distributor, or
23 manufacturer will provide the sales information. If the
24 retailer is unable to receive the sales information by
25 electronic means, the distributor, importing distributor, or
26 manufacturer shall furnish the sales information by personal

1 delivery or by mail. For purposes of this paragraph, the term
2 "electronic means" includes, but is not limited to, the use of
3 a secure Internet website, e-mail, or facsimile.

4 If a total amount of less than \$1 is payable, refundable or
5 creditable, such amount shall be disregarded if it is less
6 than 50 cents and shall be increased to \$1 if it is 50 cents or
7 more.

8 Notwithstanding any other provision of this Act to the
9 contrary, retailers subject to tax on cannabis shall file all
10 cannabis tax returns and shall make all cannabis tax payments
11 by electronic means in the manner and form required by the
12 Department.

13 Beginning October 1, 1993, a taxpayer who has an average
14 monthly tax liability of \$150,000 or more shall make all
15 payments required by rules of the Department by electronic
16 funds transfer. Beginning October 1, 1994, a taxpayer who has
17 an average monthly tax liability of \$100,000 or more shall
18 make all payments required by rules of the Department by
19 electronic funds transfer. Beginning October 1, 1995, a
20 taxpayer who has an average monthly tax liability of \$50,000
21 or more shall make all payments required by rules of the
22 Department by electronic funds transfer. Beginning October 1,
23 2000, a taxpayer who has an annual tax liability of \$200,000 or
24 more shall make all payments required by rules of the
25 Department by electronic funds transfer. The term "annual tax
26 liability" shall be the sum of the taxpayer's liabilities

1 under this Act, and under all other State and local occupation
2 and use tax laws administered by the Department, for the
3 immediately preceding calendar year. The term "average monthly
4 tax liability" shall be the sum of the taxpayer's liabilities
5 under this Act, and under all other State and local occupation
6 and use tax laws administered by the Department, for the
7 immediately preceding calendar year divided by 12. Beginning
8 on October 1, 2002, a taxpayer who has a tax liability in the
9 amount set forth in subsection (b) of Section 2505-210 of the
10 Department of Revenue Law shall make all payments required by
11 rules of the Department by electronic funds transfer.

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

17 Any taxpayer not required to make payments by electronic
18 funds transfer may make payments by electronic funds transfer
19 with the permission of the Department.

20 All taxpayers required to make payment by electronic funds
21 transfer and any taxpayers authorized to voluntarily make
22 payments by electronic funds transfer shall make those
23 payments in the manner authorized by the Department.

24 The Department shall adopt such rules as are necessary to
25 effectuate a program of electronic funds transfer and the
26 requirements of this Section.

1 Any amount which is required to be shown or reported on any
2 return or other document under this Act shall, if such amount
3 is not a whole-dollar amount, be increased to the nearest
4 whole-dollar amount in any case where the fractional part of a
5 dollar is 50 cents or more, and decreased to the nearest
6 whole-dollar amount where the fractional part of a dollar is
7 less than 50 cents.

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

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

25 Such quarter annual and annual returns, as to form and
26 substance, shall be subject to the same requirements as

1 monthly returns.

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

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

15 In addition, with respect to motor vehicles, watercraft,
16 aircraft, and trailers that are required to be registered with
17 an agency of this State, except as otherwise provided in this
18 Section, every retailer selling this kind of tangible personal
19 property shall file, with the Department, upon a form to be
20 prescribed and supplied by the Department, a separate return
21 for each such item of tangible personal property which the
22 retailer sells, except that if, in the same transaction, (i) a
23 retailer of aircraft, watercraft, motor vehicles, or trailers
24 transfers more than one aircraft, watercraft, motor vehicle,
25 or trailer to another aircraft, watercraft, motor vehicle
26 retailer, or trailer retailer for the purpose of resale or

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

13 In addition, with respect to motor vehicles, watercraft,
14 aircraft, and trailers that are required to be registered with
15 an agency of this State, every person who is engaged in the
16 business of leasing or renting such items and who, in
17 connection with such business, sells any such item to a
18 retailer for the purpose of resale is, notwithstanding any
19 other provision of this Section to the contrary, authorized to
20 meet the return-filing requirement of this Act by reporting
21 the transfer of all the aircraft, watercraft, motor vehicles,
22 or trailers transferred for resale during a month to the
23 Department on the same uniform invoice-transaction reporting
24 return form on or before the 20th of the month following the
25 month in which the transfer takes place. Notwithstanding any
26 other provision of this Act to the contrary, all returns filed

1 under this paragraph must be filed by electronic means in the
2 manner and form as required by the Department.

3 Any retailer who sells only motor vehicles, watercraft,
4 aircraft, or trailers that are required to be registered with
5 an agency of this State, so that all retailers' occupation tax
6 liability is required to be reported, and is reported, on such
7 transaction reporting returns and who is not otherwise
8 required to file monthly or quarterly returns, need not file
9 monthly or quarterly returns. However, those retailers shall
10 be required to file returns on an annual basis.

11 The transaction reporting return, in the case of motor
12 vehicles or trailers that are required to be registered with
13 an agency of this State, shall be the same document as the
14 Uniform Invoice referred to in Section 5-402 of the Illinois
15 Vehicle Code and must show the name and address of the seller;
16 the name and address of the purchaser; the amount of the
17 selling price including the amount allowed by the retailer for
18 traded-in property, if any; the amount allowed by the retailer
19 for the traded-in tangible personal property, if any, to the
20 extent to which Section 1 of this Act allows an exemption for
21 the value of traded-in property; the balance payable after
22 deducting such trade-in allowance from the total selling
23 price; the amount of tax due from the retailer with respect to
24 such transaction; the amount of tax collected from the
25 purchaser by the retailer on such transaction (or satisfactory
26 evidence that such tax is not due in that particular instance,

1 if that is claimed to be the fact); the place and date of the
2 sale; a sufficient identification of the property sold; such
3 other information as is required in Section 5-402 of the
4 Illinois Vehicle Code, and such other information as the
5 Department may reasonably require.

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

23 Such transaction reporting return shall be filed not later
24 than 20 days after the day of delivery of the item that is
25 being sold, but may be filed by the retailer at any time sooner
26 than that if he chooses to do so. The transaction reporting

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

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

22 No retailer's failure or refusal to remit tax under this
23 Act precludes a user, who has paid the proper tax to the
24 retailer, from obtaining his certificate of title or other
25 evidence of title or registration (if titling or registration
26 is required) upon satisfying the Department that such user has

1 paid the proper tax (if tax is due) to the retailer. The
2 Department shall adopt appropriate rules to carry out the
3 mandate of this paragraph.

4 If the user who would otherwise pay tax to the retailer
5 wants the transaction reporting return filed and the payment
6 of the tax or proof of exemption made to the Department before
7 the retailer is willing to take these actions and such user has
8 not paid the tax to the retailer, such user may certify to the
9 fact of such delay by the retailer and may (upon the Department
10 being satisfied of the truth of such certification) transmit
11 the information required by the transaction reporting return
12 and the remittance for tax or proof of exemption directly to
13 the Department and obtain his tax receipt or exemption
14 determination, in which event the transaction reporting return
15 and tax remittance (if a tax payment was required) shall be
16 credited by the Department to the proper retailer's account
17 with the Department, but without the vendor's discount
18 provided for in this Section being allowed. When the user pays
19 the tax directly to the Department, he shall pay the tax in the
20 same amount and in the same form in which it would be remitted
21 if the tax had been remitted to the Department by the retailer.

22 Refunds made by the seller during the preceding return
23 period to purchasers, on account of tangible personal property
24 returned to the seller, shall be allowed as a deduction under
25 subdivision 5 of his monthly or quarterly return, as the case
26 may be, in case the seller had theretofore included the

1 receipts from the sale of such tangible personal property in a
2 return filed by him and had paid the tax imposed by this Act
3 with respect to such receipts.

4 Where the seller is a corporation, the return filed on
5 behalf of such corporation shall be signed by the president,
6 vice-president, secretary, or treasurer or by the properly
7 accredited agent of such corporation.

8 Where the seller is a limited liability company, the
9 return filed on behalf of the limited liability company shall
10 be signed by a manager, member, or properly accredited agent
11 of the limited liability company.

12 Except as provided in this Section, the retailer filing
13 the return under this Section shall, at the time of filing such
14 return, pay to the Department the amount of tax imposed by this
15 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
16 on and after January 1, 1990, or \$5 per calendar year,
17 whichever is greater, which is allowed to reimburse the
18 retailer for the expenses incurred in keeping records,
19 preparing and filing returns, remitting the tax and supplying
20 data to the Department on request. On and after January 1,
21 2021, a certified service provider, as defined in the Leveling
22 the Playing Field for Illinois Retail Act, filing the return
23 under this Section on behalf of a remote retailer shall, at the
24 time of such return, pay to the Department the amount of tax
25 imposed by this Act less a discount of 1.75%. A remote retailer
26 using a certified service provider to file a return on its

1 behalf, as provided in the Leveling the Playing Field for
2 Illinois Retail Act, is not eligible for the discount.
3 Beginning with returns due on or after January 1, 2025, the
4 vendor's discount allowed in this Section, the Service
5 Occupation Tax Act, the Use Tax Act, and the Service Use Tax
6 Act, including any local tax administered by the Department
7 and reported on the same return, shall not exceed \$1,000 per
8 month in the aggregate for returns other than transaction
9 returns filed during the month. When determining the discount
10 allowed under this Section, retailers shall include the amount
11 of tax that would have been due at the 1% rate but for the 0%
12 rate imposed under Public Act 102-700. When determining the
13 discount allowed under this Section, retailers shall include
14 the amount of tax that would have been due at the 6.25% rate
15 but for the 1.25% rate imposed on sales tax holiday items under
16 Public Act 102-700. The discount under this Section is not
17 allowed for the 1.25% portion of taxes paid on aviation fuel
18 that is subject to the revenue use requirements of 49 U.S.C.
19 47107(b) and 49 U.S.C. 47133. Any prepayment made pursuant to
20 Section 2d of this Act shall be included in the amount on which
21 such discount is computed. In the case of retailers who report
22 and pay the tax on a transaction by transaction basis, as
23 provided in this Section, such discount shall be taken with
24 each such tax remittance instead of when such retailer files
25 his periodic return, but, beginning with returns due on or
26 after January 1, 2025, the vendor's discount allowed under

1 this Section and the Use Tax Act, including any local tax
2 administered by the Department and reported on the same
3 transaction return, shall not exceed \$1,000 per month for all
4 transaction returns filed during the month. The discount
5 allowed under this Section is allowed only for returns that
6 are filed in the manner required by this Act. The Department
7 may disallow the discount for retailers whose certificate of
8 registration is revoked at the time the return is filed, but
9 only if the Department's decision to revoke the certificate of
10 registration has become final.

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

1 \$20,000 or more during the preceding 4 complete calendar
2 quarters, he shall file a return with the Department each
3 month by the 20th day of the month next following the month
4 during which such tax liability is incurred and shall make
5 payment to the Department on or before the 7th, 15th, 22nd and
6 last day of the month during which such liability is incurred.
7 If the month during which such tax liability is incurred began
8 prior to January 1, 1985, each payment shall be in an amount
9 equal to 1/4 of the taxpayer's actual liability for the month
10 or an amount set by the Department not to exceed 1/4 of the
11 average monthly liability of the taxpayer to the Department
12 for the preceding 4 complete calendar quarters (excluding the
13 month of highest liability and the month of lowest liability
14 in such 4 quarter period). If the month during which such tax
15 liability is incurred begins on or after January 1, 1985 and
16 prior to January 1, 1987, each payment shall be in an amount
17 equal to 22.5% of the taxpayer's actual liability for the
18 month or 27.5% of the taxpayer's liability for the same
19 calendar month of the preceding year. If the month during
20 which such tax liability is incurred begins on or after
21 January 1, 1987 and prior to January 1, 1988, each payment
22 shall be in an amount equal to 22.5% of the taxpayer's actual
23 liability for the month or 26.25% of the taxpayer's liability
24 for the same calendar month of the preceding year. If the month
25 during which such tax liability is incurred begins on or after
26 January 1, 1988, and prior to January 1, 1989, or begins on or

1 after January 1, 1996, each payment shall be in an amount equal
2 to 22.5% of the taxpayer's actual liability for the month or
3 25% of the taxpayer's liability for the same calendar month of
4 the preceding year. If the month during which such tax
5 liability is incurred begins on or after January 1, 1989, and
6 prior to January 1, 1996, each payment shall be in an amount
7 equal to 22.5% of the taxpayer's actual liability for the
8 month or 25% of the taxpayer's liability for the same calendar
9 month of the preceding year or 100% of the taxpayer's actual
10 liability for the quarter monthly reporting period. The amount
11 of such quarter monthly payments shall be credited against the
12 final tax liability of the taxpayer's return for that month.
13 Before October 1, 2000, once applicable, the requirement of
14 the making of quarter monthly payments to the Department by
15 taxpayers having an average monthly tax liability of \$10,000
16 or more as determined in the manner provided above shall
17 continue until such taxpayer's average monthly liability to
18 the Department during the preceding 4 complete calendar
19 quarters (excluding the month of highest liability and the
20 month of lowest liability) is less than \$9,000, or until such
21 taxpayer's average monthly liability to the Department as
22 computed for each calendar quarter of the 4 preceding complete
23 calendar quarter period is less than \$10,000. However, if a
24 taxpayer can show the Department that a substantial change in
25 the taxpayer's business has occurred which causes the taxpayer
26 to anticipate that his average monthly tax liability for the

1 reasonably foreseeable future will fall below the \$10,000
2 threshold stated above, then such taxpayer may petition the
3 Department for a change in such taxpayer's reporting status.
4 On and after October 1, 2000, once applicable, the requirement
5 of the making of quarter monthly payments to the Department by
6 taxpayers having an average monthly tax liability of \$20,000
7 or more as determined in the manner provided above shall
8 continue until such taxpayer's average monthly liability to
9 the Department during the preceding 4 complete calendar
10 quarters (excluding the month of highest liability and the
11 month of lowest liability) is less than \$19,000 or until such
12 taxpayer's average monthly liability to the Department as
13 computed for each calendar quarter of the 4 preceding complete
14 calendar quarter period is less than \$20,000. However, if a
15 taxpayer can show the Department that a substantial change in
16 the taxpayer's business has occurred which causes the taxpayer
17 to anticipate that his average monthly tax liability for the
18 reasonably foreseeable future will fall below the \$20,000
19 threshold stated above, then such taxpayer may petition the
20 Department for a change in such taxpayer's reporting status.
21 The Department shall change such taxpayer's reporting status
22 unless it finds that such change is seasonal in nature and not
23 likely to be long term. Quarter monthly payment status shall
24 be determined under this paragraph as if the rate reduction to
25 0% in Public Act 102-700 on food for human consumption that is
26 to be consumed off the premises where it is sold (other than

1 alcoholic beverages, food consisting of or infused with adult
2 use cannabis, soft drinks, and food that has been prepared for
3 immediate consumption) had not occurred. For quarter monthly
4 payments due under this paragraph on or after July 1, 2023 and
5 through June 30, 2024, "25% of the taxpayer's liability for
6 the same calendar month of the preceding year" shall be
7 determined as if the rate reduction to 0% in Public Act 102-700
8 had not occurred. Quarter monthly payment status shall be
9 determined under this paragraph as if the rate reduction to
10 1.25% in Public Act 102-700 on sales tax holiday items had not
11 occurred. For quarter monthly payments due on or after July 1,
12 2023 and through June 30, 2024, "25% of the taxpayer's
13 liability for the same calendar month of the preceding year"
14 shall be determined as if the rate reduction to 1.25% in Public
15 Act 102-700 on sales tax holiday items had not occurred. If any
16 such quarter monthly payment is not paid at the time or in the
17 amount required by this Section, then the taxpayer shall be
18 liable for penalties and interest on the difference between
19 the minimum amount due as a payment and the amount of such
20 quarter monthly payment actually and timely paid, except
21 insofar as the taxpayer has previously made payments for that
22 month to the Department in excess of the minimum payments
23 previously due as provided in this Section. The Department
24 shall make reasonable rules and regulations to govern the
25 quarter monthly payment amount and quarter monthly payment
26 dates for taxpayers who file on other than a calendar monthly

1 basis.

2 The provisions of this paragraph apply before October 1,
3 2001. Without regard to whether a taxpayer is required to make
4 quarter monthly payments as specified above, any taxpayer who
5 is required by Section 2d of this Act to collect and remit
6 prepaid taxes and has collected prepaid taxes which average in
7 excess of \$25,000 per month during the preceding 2 complete
8 calendar quarters, shall file a return with the Department as
9 required by Section 2f and shall make payments to the
10 Department on or before the 7th, 15th, 22nd and last day of the
11 month during which such liability is incurred. If the month
12 during which such tax liability is incurred began prior to
13 September 1, 1985 (the effective date of Public Act 84-221),
14 each payment shall be in an amount not less than 22.5% of the
15 taxpayer's actual liability under Section 2d. If the month
16 during which such tax liability is incurred begins on or after
17 January 1, 1986, each payment shall be in an amount equal to
18 22.5% of the taxpayer's actual liability for the month or
19 27.5% of the taxpayer's liability for the same calendar month
20 of the preceding calendar year. If the month during which such
21 tax liability is incurred begins on or after January 1, 1987,
22 each payment shall be in an amount equal to 22.5% of the
23 taxpayer's actual liability for the month or 26.25% of the
24 taxpayer's liability for the same calendar month of the
25 preceding year. The amount of such quarter monthly payments
26 shall be credited against the final tax liability of the

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

12 The provisions of this paragraph apply on and after
13 October 1, 2001. Without regard to whether a taxpayer is
14 required to make quarter monthly payments as specified above,
15 any taxpayer who is required by Section 2d of this Act to
16 collect and remit prepaid taxes and has collected prepaid
17 taxes that average in excess of \$20,000 per month during the
18 preceding 4 complete calendar quarters shall file a return
19 with the Department as required by Section 2f and shall make
20 payments to the Department on or before the 7th, 15th, 22nd,
21 and last day of the month during which the liability is
22 incurred. Each payment shall be in an amount equal to 22.5% of
23 the taxpayer's actual liability for the month or 25% of the
24 taxpayer's liability for the same calendar month of the
25 preceding year. The amount of the quarter monthly payments
26 shall be credited against the final tax liability of the

1 taxpayer's return for that month filed under this Section or
2 Section 2f, as the case may be. Once applicable, the
3 requirement of the making of quarter monthly payments to the
4 Department pursuant to this paragraph shall continue until the
5 taxpayer's average monthly prepaid tax collections during the
6 preceding 4 complete calendar quarters (excluding the month of
7 highest liability and the month of lowest liability) is less
8 than \$19,000 or until such taxpayer's average monthly
9 liability to the Department as computed for each calendar
10 quarter of the 4 preceding complete calendar quarters is less
11 than \$20,000. If any such quarter monthly payment is not paid
12 at the time or in the amount required, the taxpayer shall be
13 liable for penalties and interest on such difference, except
14 insofar as the taxpayer has previously made payments for that
15 month in excess of the minimum payments previously due.

16 If any payment provided for in this Section exceeds the
17 taxpayer's liabilities under this Act, the Use Tax Act, the
18 Service Occupation Tax Act, and the Service Use Tax Act, as
19 shown on an original monthly return, the Department shall, if
20 requested by the taxpayer, issue to the taxpayer a credit
21 memorandum no later than 30 days after the date of payment. The
22 credit evidenced by such credit memorandum may be assigned by
23 the taxpayer to a similar taxpayer under this Act, the Use Tax
24 Act, the Service Occupation Tax Act, or the Service Use Tax
25 Act, in accordance with reasonable rules and regulations to be
26 prescribed by the Department. If no such request is made, the

1 taxpayer may credit such excess payment against tax liability
2 subsequently to be remitted to the Department under this Act,
3 the Use Tax Act, the Service Occupation Tax Act, or the Service
4 Use Tax Act, in accordance with reasonable rules and
5 regulations prescribed by the Department. If the Department
6 subsequently determined that all or any part of the credit
7 taken was not actually due to the taxpayer, the taxpayer's $\frac{1}{2}$
8 vendor's discount shall be reduced, if necessary, to reflect
9 the difference between the credit taken and that actually due,
10 and that taxpayer shall be liable for penalties and interest
11 on such difference.

12 If a retailer of motor fuel is entitled to a credit under
13 Section 2d of this Act which exceeds the taxpayer's liability
14 to the Department under this Act for the month for which the
15 taxpayer is filing a return, the Department shall issue the
16 taxpayer a credit memorandum for the excess.

17 Beginning January 1, 1990, each month the Department shall
18 pay into the Local Government Tax Fund, a special fund in the
19 State treasury which is hereby created, the net revenue
20 realized for the preceding month from the 1% tax imposed under
21 this Act.

22 Beginning January 1, 1990, each month the Department shall
23 pay into the County and Mass Transit District Fund, a special
24 fund in the State treasury which is hereby created, 4% of the
25 net revenue realized for the preceding month from the 6.25%
26 general rate other than aviation fuel sold on or after

1 December 1, 2019. This exception for aviation fuel only
2 applies 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 State.

4 Beginning February 1, 2026, each month the Department
5 shall pay into the County and Mass Transit District Fund 4% of
6 the net revenue realized for the preceding month from the
7 3.75% surcharge imposed on the selling price of firearms and
8 firearm component parts.

9 Beginning August 1, 2000, each month the Department shall
10 pay into the County and Mass Transit District Fund 20% of the
11 net revenue realized for the preceding month from the 1.25%
12 rate on the selling price of motor fuel and gasohol. If, in any
13 month, the tax on sales tax holiday items, as defined in
14 Section 2-8, is imposed at the rate of 1.25%, then the
15 Department shall pay 20% of the net revenue realized for that
16 month from the 1.25% rate on the selling price of sales tax
17 holiday items into the County and Mass Transit District Fund.

18 Beginning January 1, 1990, each month the Department shall
19 pay into the Local Government Tax Fund 16% of the net revenue
20 realized for the preceding month from the 6.25% general rate
21 on the selling price of tangible personal property other than
22 aviation fuel sold on or after December 1, 2019. This
23 exception for aviation fuel only applies for so long as the
24 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
25 47133 are binding on the State.

26 Beginning February 1, 2026, each month the Department

1 shall pay into the Local Government Tax Fund 16% of the net
2 revenue realized for the preceding month from the 3.75%
3 surcharge imposed on the selling price of firearms and firearm
4 component parts.

5 For aviation fuel sold on or after December 1, 2019, each
6 month the Department shall pay into the State Aviation Program
7 Fund 20% of the net revenue realized for the preceding month
8 from the 6.25% general rate on the selling price of aviation
9 fuel, less an amount estimated by the Department to be
10 required for refunds of the 20% portion of the tax on aviation
11 fuel under this Act, which amount shall be deposited into the
12 Aviation Fuel Sales Tax Refund Fund. The Department shall only
13 pay moneys into the State Aviation Program Fund and the
14 Aviation Fuel Sales Tax Refund Fund under this Act for so long
15 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
16 U.S.C. 47133 are binding on the State.

17 Beginning August 1, 2000, each month the Department shall
18 pay into the Local Government Tax Fund 80% of the net revenue
19 realized for the preceding month from the 1.25% rate on the
20 selling price of motor fuel and gasohol. If, in any month, the
21 tax on sales tax holiday items, as defined in Section 2-8, is
22 imposed at the rate of 1.25%, then the Department shall pay 80%
23 of the net revenue realized for that month from the 1.25% rate
24 on the selling price of sales tax holiday items into the Local
25 Government Tax Fund.

26 Beginning October 1, 2009, each month the Department shall

1 pay into the Capital Projects Fund an amount that is equal to
2 an amount estimated by the Department to represent 80% of the
3 net revenue realized for the preceding month from the sale of
4 candy, grooming and hygiene products, and soft drinks that had
5 been taxed at a rate of 1% prior to September 1, 2009 but that
6 are now taxed at 6.25%.

7 Beginning July 1, 2011, each month the Department shall
8 pay into the Clean Air Act Permit Fund 80% of the net revenue
9 realized for the preceding month from the 6.25% general rate
10 on the selling price of sorbents used in Illinois in the
11 process of sorbent injection as used to comply with the
12 Environmental Protection Act or the federal Clean Air Act, but
13 the total payment into the Clean Air Act Permit Fund under this
14 Act and the Use Tax Act shall not exceed \$2,000,000 in any
15 fiscal year.

16 Beginning July 1, 2013, each month the Department shall
17 pay into the Underground Storage Tank Fund from the proceeds
18 collected under this Act, the Use Tax Act, the Service Use Tax
19 Act, and the Service Occupation Tax Act an amount equal to the
20 average monthly deficit in the Underground Storage Tank Fund
21 during the prior year, as certified annually by the Illinois
22 Environmental Protection Agency, but the total payment into
23 the Underground Storage Tank Fund under this Act, the Use Tax
24 Act, the Service Use Tax Act, and the Service Occupation Tax
25 Act shall not exceed \$18,000,000 in any State fiscal year. As
26 used in this paragraph, the "average monthly deficit" shall be

1 equal to the difference between the average monthly claims for
2 payment by the fund and the average monthly revenues deposited
3 into the fund, excluding payments made pursuant to this
4 paragraph.

5 Beginning July 1, 2015, of the remainder of the moneys
6 received by the Department under the Use Tax Act, the Service
7 Use Tax Act, the Service Occupation Tax Act, and this Act, each
8 month the Department shall deposit \$500,000 into the State
9 Crime Laboratory Fund.

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

1 moneys received by the Department pursuant to the Tax Acts;
2 the "Annual Specified Amount" means the amounts specified
3 below for fiscal years 1986 through 1993:

4	Fiscal Year	Annual Specified Amount
5	1986	\$54,800,000
6	1987	\$76,650,000
7	1988	\$80,480,000
8	1989	\$88,510,000
9	1990	\$115,330,000
10	1991	\$145,470,000
11	1992	\$182,730,000
12	1993	\$206,520,000;

13 and means the Certified Annual Debt Service Requirement (as
14 defined in Section 13 of the Build Illinois Bond Act) or the
15 Tax Act Amount, whichever is greater, for fiscal year 1994 and
16 each fiscal year thereafter; and further provided, that if on
17 the last business day of any month the sum of (1) the Tax Act
18 Amount required to be deposited into the Build Illinois Bond
19 Account in the Build Illinois Fund during such month and (2)
20 the amount transferred to the Build Illinois Fund from the
21 State and Local Sales Tax Reform Fund shall have been less than
22 1/12 of the Annual Specified Amount, an amount equal to the
23 difference shall be immediately paid into the Build Illinois
24 Fund from other moneys received by the Department pursuant to
25 the Tax Acts; and, further provided, that in no event shall the
26 payments required under the preceding proviso result in

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

1 to the Build Illinois Fund in any fiscal year pursuant to this
 2 sentence shall be deemed to constitute payments pursuant to
 3 clause (b) of the first sentence of this paragraph and shall
 4 reduce the amount otherwise payable for such fiscal year
 5 pursuant to that clause (b). The moneys received by the
 6 Department pursuant to this Act and required to be deposited
 7 into the Build Illinois Fund are subject to the pledge, claim
 8 and charge set forth in Section 12 of the Build Illinois Bond
 9 Act.

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

22	Fiscal Year	Total Deposit
23	1993	\$0
24	1994	53,000,000
25	1995	58,000,000
26	1996	61,000,000

1	1997	64,000,000
2	1998	68,000,000
3	1999	71,000,000
4	2000	75,000,000
5	2001	80,000,000
6	2002	93,000,000
7	2003	99,000,000
8	2004	103,000,000
9	2005	108,000,000
10	2006	113,000,000
11	2007	119,000,000
12	2008	126,000,000
13	2009	132,000,000
14	2010	139,000,000
15	2011	146,000,000
16	2012	153,000,000
17	2013	161,000,000
18	2014	170,000,000
19	2015	179,000,000
20	2016	189,000,000
21	2017	199,000,000
22	2018	210,000,000
23	2019	221,000,000
24	2020	233,000,000
25	2021	300,000,000
26	2022	300,000,000

1	2023	300,000,000
2	2024	300,000,000
3	2025	300,000,000
4	2026	300,000,000
5	2027	375,000,000
6	2028	375,000,000
7	2029	375,000,000
8	2030	375,000,000
9	2031	375,000,000
10	2032	375,000,000
11	2033	375,000,000
12	2034	375,000,000
13	2035	375,000,000
14	2036	450,000,000

15 and
16 each fiscal year
17 thereafter that bonds
18 are outstanding under
19 Section 13.2 of the
20 Metropolitan Pier and
21 Exposition Authority Act,
22 but not after fiscal year 2060.

23 Beginning July 20, 1993 and in each month of each fiscal
24 year thereafter, one-eighth of the amount requested in the
25 certificate of the Chairman of the Metropolitan Pier and
26 Exposition Authority for that fiscal year, less the amount

1 deposited into the McCormick Place Expansion Project Fund by
2 the State Treasurer in the respective month under subsection
3 (g) of Section 13 of the Metropolitan Pier and Exposition
4 Authority Act, plus cumulative deficiencies in the deposits
5 required under this Section for previous months and years,
6 shall be deposited into the McCormick Place Expansion Project
7 Fund, until the full amount requested for the fiscal year, but
8 not in excess of the amount specified above as "Total
9 Deposit", has been deposited.

10 Subject to payment of amounts into the Capital Projects
11 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
12 and the McCormick Place Expansion Project Fund pursuant to the
13 preceding paragraphs or in any amendments thereto hereafter
14 enacted, for aviation fuel sold on or after December 1, 2019,
15 the Department shall each month deposit into the Aviation Fuel
16 Sales Tax Refund Fund an amount estimated by the Department to
17 be required for refunds of the 80% portion of the tax on
18 aviation fuel under this Act. The Department shall only
19 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
20 under this paragraph for so long as the revenue use
21 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
22 binding on the State.

23 Subject to payment of amounts into the Build Illinois Fund
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, beginning July 1, 1993 and ending on September 30,

1 2013, the Department shall each month pay into the Illinois
2 Tax Increment Fund 0.27% of 80% of the net revenue realized for
3 the preceding month from the 6.25% general rate on the selling
4 price of tangible personal property.

5 Subject to payment of amounts into the Build Illinois
6 Fund, the McCormick Place Expansion Project Fund, and the
7 Illinois Tax Increment Fund pursuant to the preceding
8 paragraphs or in any amendments to this Section hereafter
9 enacted, beginning on the first day of the first calendar
10 month to occur on or after August 26, 2014 (the effective date
11 of Public Act 98-1098), each month, from the collections made
12 under Section 9 of the Use Tax Act, Section 9 of the Service
13 Use Tax Act, Section 9 of the Service Occupation Tax Act, and
14 Section 3 of the Retailers' Occupation Tax Act, the Department
15 shall pay into the Tax Compliance and Administration Fund, to
16 be used, subject to appropriation, to fund additional auditors
17 and compliance personnel at the Department of Revenue, an
18 amount equal to 1/12 of 5% of 80% of the cash receipts
19 collected during the preceding fiscal year by the Audit Bureau
20 of the Department under the Use Tax Act, the Service Use Tax
21 Act, the Service Occupation Tax Act, the Retailers' Occupation
22 Tax Act, and associated local occupation and use taxes
23 administered by the Department.

24 Subject to payments of amounts into the Build Illinois
25 Fund, the McCormick Place Expansion Project Fund, the Illinois
26 Tax Increment Fund, the Energy Infrastructure Fund, and the

1 Tax Compliance and Administration Fund as provided in this
2 Section, beginning on July 1, 2018 the Department shall pay
3 each month into the Downstate Public Transportation Fund the
4 moneys required to be so paid under Section 2-3 of the
5 Downstate Public Transportation Act.

6 Subject to successful execution and delivery of a
7 public-private agreement between the public agency and private
8 entity and completion of the civic build, beginning on July 1,
9 2023, of the remainder of the moneys received by the
10 Department under the Use Tax Act, the Service Use Tax Act, the
11 Service Occupation Tax Act, and this Act, the Department shall
12 deposit the following specified deposits in the aggregate from
13 collections under the Use Tax Act, the Service Use Tax Act, the
14 Service Occupation Tax Act, and the Retailers' Occupation Tax
15 Act, as required under Section 8.25g of the State Finance Act
16 for distribution consistent with the Public-Private
17 Partnership for Civic and Transit Infrastructure Project Act.
18 The moneys received by the Department pursuant to this Act and
19 required to be deposited into the Civic and Transit
20 Infrastructure Fund are subject to the pledge, claim and
21 charge set forth in Section 25-55 of the Public-Private
22 Partnership for Civic and Transit Infrastructure Project Act.
23 As used in this paragraph, "civic build", "private entity",
24 "public-private agreement", and "public agency" have the
25 meanings provided in Section 25-10 of the Public-Private
26 Partnership for Civic and Transit Infrastructure Project Act.

1	Fiscal Year.....	Total Deposit
2	2024	\$200,000,000
3	2025	\$206,000,000
4	2026	\$212,200,000
5	2027	\$218,500,000
6	2028	\$225,100,000
7	2029	\$288,700,000
8	2030	\$298,900,000
9	2031	\$309,300,000
10	2032	\$320,100,000
11	2033	\$331,200,000
12	2034	\$341,200,000
13	2035	\$351,400,000
14	2036	\$361,900,000
15	2037	\$372,800,000
16	2038	\$384,000,000
17	2039	\$395,500,000
18	2040	\$407,400,000
19	2041	\$419,600,000
20	2042	\$432,200,000
21	2043	\$445,100,000

22 Beginning July 1, 2021 and until July 1, 2022, subject to
23 the payment of amounts into the County and Mass Transit
24 District Fund, the Local Government Tax Fund, the Build
25 Illinois Fund, the McCormick Place Expansion Project Fund, the
26 Illinois Tax Increment Fund, and the Tax Compliance and

1 Administration Fund as provided in this Section, the
2 Department shall pay each month into the Road Fund the amount
3 estimated to represent 16% of the net revenue realized from
4 the taxes imposed on motor fuel and gasohol. Beginning July 1,
5 2022 and until July 1, 2023, subject to the payment of amounts
6 into the County and Mass Transit District Fund, the Local
7 Government Tax Fund, the Build Illinois Fund, the McCormick
8 Place Expansion Project Fund, the Illinois Tax Increment Fund,
9 and the Tax Compliance and Administration Fund as provided in
10 this Section, the Department shall pay each month into the
11 Road Fund the amount estimated to represent 32% of the net
12 revenue realized from the taxes imposed on motor fuel and
13 gasohol. Beginning July 1, 2023 and until July 1, 2024,
14 subject to the payment of amounts into the County and Mass
15 Transit District Fund, the Local Government Tax Fund, the
16 Build Illinois Fund, the McCormick Place Expansion Project
17 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
18 and Administration Fund as provided in this Section, the
19 Department shall pay each month into the Road Fund the amount
20 estimated to represent 48% of the net revenue realized from
21 the taxes imposed on motor fuel and gasohol. Beginning July 1,
22 2024 and until July 1, 2025, subject to the payment of amounts
23 into the County and Mass Transit District Fund, the Local
24 Government Tax Fund, the Build Illinois Fund, the McCormick
25 Place Expansion Project Fund, the Illinois Tax Increment Fund,
26 and the Tax Compliance and Administration Fund as provided in

1 this Section, the Department shall pay each month into the
2 Road Fund the amount estimated to represent 64% of the net
3 revenue realized from the taxes imposed on motor fuel and
4 gasohol. Beginning on July 1, 2025, subject to the payment of
5 amounts into the County and Mass Transit District Fund, the
6 Local Government Tax Fund, the Build Illinois Fund, the
7 McCormick Place Expansion Project Fund, the Illinois Tax
8 Increment Fund, and the Tax Compliance and Administration Fund
9 as provided in this Section, the Department shall pay each
10 month into the Road Fund the amount estimated to represent 80%
11 of the net revenue realized from the taxes imposed on motor
12 fuel and gasohol. As used in this paragraph "motor fuel" has
13 the meaning given to that term in Section 1.1 of the Motor Fuel
14 Tax Law, and "gasohol" has the meaning given to that term in
15 Section 3-40 of the Use Tax Act.

16 Of the remainder of the moneys received by the Department
17 pursuant to this Act, 75% thereof shall be paid into the State
18 treasury and 25% shall be reserved in a special account and
19 used only for the transfer to the Common School Fund as part of
20 the monthly transfer from the General Revenue Fund in
21 accordance with Section 8a of the State Finance Act.

22 The Department may, upon separate written notice to a
23 taxpayer, require the taxpayer to prepare and file with the
24 Department on a form prescribed by the Department within not
25 less than 60 days after receipt of the notice an annual
26 information return for the tax year specified in the notice.

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

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

22 (i) Until January 1, 1994, the taxpayer shall be
23 liable for a penalty equal to 1/6 of 1% of the tax due from
24 such taxpayer under this Act during the period to be
25 covered by the annual return for each month or fraction of
26 a month until such return is filed as required, the

1 penalty to be assessed and collected in the same manner as
2 any other penalty provided for in this Act.

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

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

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

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

25 Net revenue realized for a month shall be the revenue
26 collected by the State pursuant to this Act, less the amount

1 paid out during that month as refunds to taxpayers for
2 overpayment of liability.

3 For greater simplicity of administration, manufacturers,
4 importers and wholesalers whose products are sold at retail in
5 Illinois by numerous retailers, and who wish to do so, may
6 assume the responsibility for accounting and paying to the
7 Department all tax accruing under this Act with respect to
8 such sales, if the retailers who are affected do not make
9 written objection to the Department to this arrangement.

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

1 Any person engaged in the business of selling tangible
2 personal property at retail as a concessionaire or other type
3 of seller at the Illinois State Fair, county fairs, art shows,
4 flea markets, and similar exhibitions or events, or any
5 transient merchants, as defined by Section 2 of the Transient
6 Merchant Act of 1987, may be required to make a daily report of
7 the amount of such sales to the Department and to make a daily
8 payment of the full amount of tax due. The Department shall
9 impose this requirement when it finds that there is a
10 significant risk of loss of revenue to the State at such an
11 exhibition or event. Such a finding shall be based on evidence
12 that a substantial number of concessionaires or other sellers
13 who are not residents of Illinois will be engaging in the
14 business of selling tangible personal property at retail at
15 the exhibition or event, or other evidence of a significant
16 risk of loss of revenue to the State. The Department shall
17 notify concessionaires and other sellers affected by the
18 imposition of this requirement. In the absence of notification
19 by the Department, the concessionaires and other sellers shall
20 file their returns as otherwise required in this Section.

21 (Source: P.A. 102-634, eff. 8-27-21; 102-700, Article 60,
22 Section 60-30, eff. 4-19-22; 102-700, Article 65, Section
23 65-10, eff. 4-19-22; 102-813, eff. 5-13-22; 102-1019, eff.
24 1-1-23; 103-9, eff. 6-7-23; 103-154, eff. 6-30-23; 103-363,
25 eff. 7-28-23; 103-592, Article 75, Section 75-20, eff. 1-1-25;
26 103-592, Article 110, Section 110-20, eff. 6-7-24; 103-605,

1 eff. 7-1-24; revised 11-26-24.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.