



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

HB4252

Introduced 1/14/2026, by Rep. Kevin Schmidt

SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 105/3-6	
35 ILCS 105/3-10	from Ch. 120, par. 439.33-10
35 ILCS 105/9	
35 ILCS 120/2-8	
35 ILCS 120/2-10	from Ch. 120, par. 441-10
35 ILCS 120/3	

Amends the Use Tax Act and the Retailers' Occupation Tax Act. Creates a sales tax holiday period for certain school supplies from August 2, 2026 through August 11, 2026. Effective immediately.

LRB104 15946 HLH 29181 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 State Finance Act is amended by changing
5 Sections 6z-18 and 6z-20 as follows:

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

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

16 Moneys transferred from the Grocery Tax Replacement Fund
17 to the Local Government Tax Fund under Section 6z-130 shall be
18 treated under this Section in the same manner as if they had
19 been remitted with the return on which they were reported.

20 A portion of the money paid into the Local Government Tax
21 Fund from the 6.25% general use tax rate on the selling price
22 of tangible personal property which is purchased outside
23 Illinois at retail from a retailer and which is titled or

1 registered by any agency of this State's government shall be
2 distributed to municipalities as provided in this paragraph.
3 Each municipality shall receive the amount attributable to
4 sales for which Illinois addresses for titling or registration
5 purposes are given as being in such municipality. The
6 remainder of the money paid into the Local Government Tax Fund
7 from such sales shall be distributed to counties. Each county
8 shall receive the amount attributable to sales for which
9 Illinois addresses for titling or registration purposes are
10 given as being located in the unincorporated area of such
11 county.

12 A portion of the money paid into the Local Government Tax
13 Fund from the 6.25% general rate (and, beginning July 1, 2000
14 and through December 31, 2000, the 1.25% rate on motor fuel and
15 gasohol, and during the sales tax holiday period, as defined
16 in Section 3-6 of the Use Tax Act and Section 2-8 of the
17 Retailers' Occupation Tax Act, ~~beginning on August 6, 2010~~
18 ~~through August 15, 2010, and beginning again on August 5, 2022~~
19 ~~through August 14, 2022,~~ the 1.25% rate on sales tax holiday
20 items) on sales subject to taxation under the Retailers'
21 Occupation Tax Act and the Service Occupation Tax Act, which
22 occurred in municipalities, shall be distributed to each
23 municipality, based upon the sales which occurred in that
24 municipality. The remainder shall be distributed to each
25 county, based upon the sales which occurred in the
26 unincorporated area of such county.

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

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

18 As soon as possible after the first day of each month,
19 beginning January 1, 2011, upon certification of the
20 Department of Revenue, the Comptroller shall order
21 transferred, and the Treasurer shall transfer, to the STAR
22 Bonds Revenue Fund the local sales tax increment, as defined
23 in the Innovation Development and Economy Act, collected
24 during the second preceding calendar month for sales within a
25 STAR bond district and deposited into the Local Government Tax
26 Fund, less 3% of that amount, which shall be transferred into

1 the Tax Compliance and Administration Fund and shall be used
2 by the Department, subject to appropriation, to cover the
3 costs of the Department in administering the Innovation
4 Development and Economy Act.

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

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

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

11 The provisions directing the distributions from the
12 special fund in the State treasury provided for in this
13 Section shall constitute an irrevocable and continuing
14 appropriation of all amounts as provided herein. The State
15 Treasurer and State Comptroller are hereby authorized to make
16 distributions as provided in this Section.

17 In construing any development, redevelopment, annexation,
18 preannexation, or other lawful agreement in effect prior to
19 September 1, 1990, which describes or refers to receipts from
20 a county or municipal retailers' occupation tax, use tax or
21 service occupation tax which now cannot be imposed, such
22 description or reference shall be deemed to include the
23 replacement revenue for such abolished taxes, distributed from
24 the Local Government Tax Fund.

25 As soon as possible after March 8, 2013 (the effective
26 date of Public Act 98-3), the State Comptroller shall order

1 and the State Treasurer shall transfer \$6,600,000 from the
2 Local Government Tax Fund to the Illinois State Medical
3 Disciplinary Fund.

4 (Source: P.A. 102-700, Article 60, Section 60-10, eff.
5 4-19-22; 102-700, Article 65, Section 65-15, eff. 4-19-22;
6 103-154, eff. 6-30-23.)

7 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

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

1 county.

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

11 Of the money received from the 6.25% general use tax rate
12 on tangible personal property which is purchased outside
13 Illinois at retail from a retailer and which is titled or
14 registered by any agency of this State's government and paid
15 into the County and Mass Transit District Fund, the amount for
16 which Illinois addresses for titling or registration purposes
17 are given as being in each county having more than 3,000,000
18 inhabitants shall be distributed into the Regional
19 Transportation Authority tax fund, created pursuant to Section
20 4.03 of the Regional Transportation Authority Act. The
21 remainder of the money paid from such sales shall be
22 distributed to each county based on sales for which Illinois
23 addresses for titling or registration purposes are given as
24 being located in the county. Any money paid into the Regional
25 Transportation Authority Occupation and Use Tax Replacement
26 Fund from the County and Mass Transit District Fund prior to

1 January 14, 1991, which has not been paid to the Authority
2 prior to that date, shall be transferred to the Regional
3 Transportation Authority tax fund.

4 Whenever the Department determines that a refund of money
5 paid into the County and Mass Transit District Fund should be
6 made to a claimant instead of issuing a credit memorandum, the
7 Department shall notify the State Comptroller, who shall cause
8 the order to be drawn for the amount specified, and to the
9 person named, in such notification from the Department. Such
10 refund shall be paid by the State Treasurer out of the County
11 and Mass Transit District Fund.

12 As soon as possible after the first day of each month,
13 beginning January 1, 2011, upon certification of the
14 Department of Revenue, the Comptroller shall order
15 transferred, and the Treasurer shall transfer, to the STAR
16 Bonds Revenue Fund the local sales tax increment, as defined
17 in the Innovation Development and Economy Act, collected
18 during the second preceding calendar month for sales within a
19 STAR bond district and deposited into the County and Mass
20 Transit District Fund, less 3% of that amount, which shall be
21 transferred into the Tax Compliance and Administration Fund
22 and shall be used by the Department, subject to appropriation,
23 to cover the costs of the Department in administering the
24 Innovation Development and Economy Act.

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

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

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

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

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

24 In construing any development, redevelopment, annexation,
25 preannexation or other lawful agreement in effect prior to
26 September 1, 1990, which describes or refers to receipts from

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

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

8 Section 10. The Use Tax Act is amended by changing
9 Sections 3-6, 3-10, and 9 as follows:

10 (35 ILCS 105/3-6)

11 Sec. 3-6. Sales tax holiday items.

12 (a) Any tangible personal property described in this
13 subsection is a sales tax holiday item and qualifies for the
14 1.25% reduced rate of tax during the sales tax holiday period
15 ~~for the period set forth in Section 3-10 of this Act~~
16 ~~(hereinafter referred to as the Sales Tax Holiday Period)~~. The
17 reduced rate on these items shall be administered under the
18 provisions of subsection (b) of this Section. The following
19 items are subject to the reduced rate:

20 (1) Clothing items that each have a retail selling
21 price of less than \$125.

22 "Clothing" means, unless otherwise specified in this
23 Section, all human wearing apparel suitable for general
24 use. "Clothing" does not include clothing accessories,

1 protective equipment, or sport or recreational equipment.
2 "Clothing" includes, but is not limited to: household and
3 shop aprons; athletic supporters; bathing suits and caps;
4 belts and suspenders; boots; coats and jackets; ear muffs;
5 footlets; gloves and mittens for general use; hats and
6 caps; hosiery; insoles for shoes; lab coats; neckties;
7 overshoes; pantyhose; rainwear; rubber pants; sandals;
8 scarves; shoes and shoelaces; slippers; sneakers; socks
9 and stockings; steel-toed shoes; underwear; and school
10 uniforms.

11 "Clothing accessories" means, but is not limited to:
12 briefcases; cosmetics; hair notions, including, but not
13 limited to barrettes, hair bows, and hair nets; handbags;
14 handkerchiefs; jewelry; non-prescription sunglasses;
15 umbrellas; wallets; watches; and wigs and hair pieces.

16 "Protective equipment" means, but is not limited to:
17 breathing masks; clean room apparel and equipment; ear and
18 hearing protectors; face shields; hard hats; helmets;
19 paint or dust respirators; protective gloves; safety
20 glasses and goggles; safety belts; tool belts; and
21 welder's gloves and masks.

22 "Sport or recreational equipment" means, but is not
23 limited to: ballet and tap shoes; cleated or spiked
24 athletic shoes; gloves, including, but not limited to,
25 baseball, bowling, boxing, hockey, and golf gloves;
26 goggles; hand and elbow guards; life preservers and vests;

1 mouth guards; roller and ice skates; shin guards; shoulder
2 pads; ski boots; waders; and wetsuits and fins.

3 (2) School supplies. "School supplies" means, unless
4 otherwise specified in this Section, items used by a
5 student in a course of study. The purchase of school
6 supplies for use by persons other than students for use in
7 a course of study are not eligible for the reduced rate of
8 tax. "School supplies" do not include school art supplies;
9 school instructional materials; cameras; film and memory
10 cards; videocameras, tapes, and videotapes; computers;
11 cell phones; Personal Digital Assistants (PDAs); handheld
12 electronic schedulers; and school computer supplies.

13 "School supplies" includes, but is not limited to:
14 binders; book bags; calculators; cellophane tape;
15 blackboard chalk; compasses; composition books; crayons;
16 erasers; expandable, pocket, plastic, and manila folders;
17 glue, paste, and paste sticks; highlighters; index cards;
18 index card boxes; legal pads; lunch boxes; markers;
19 notebooks; paper, including loose leaf ruled notebook
20 paper, copy paper, graph paper, tracing paper, manila
21 paper, colored paper, poster board, and construction
22 paper; pencils; pencil leads; pens; ink and ink refills
23 for pens; pencil boxes and other school supply boxes;
24 pencil sharpeners; protractors; rulers; scissors; and
25 writing tablets.

26 "School art supply" means an item commonly used by a

1 student in a course of study for artwork and includes only
2 the following items: clay and glazes; acrylic, tempera,
3 and oil paint; paintbrushes for artwork; sketch and
4 drawing pads; and watercolors.

5 "School instructional material" means written material
6 commonly used by a student in a course of study as a
7 reference and to learn the subject being taught and
8 includes only the following items: reference books;
9 reference maps and globes; textbooks; and workbooks.

10 "School computer supply" means an item commonly used
11 by a student in a course of study in which a computer is
12 used and applies only to the following items: flashdrives
13 and other computer data storage devices; data storage
14 media, such as diskettes and compact disks; boxes and
15 cases for disk storage; external ports or drives; computer
16 cases; computer cables; computer printers; and printer
17 cartridges, toner, and ink.

18 (b) Administration. Notwithstanding any other provision of
19 this Act, the reduced rate of tax under Section 3-10 of this
20 Act for clothing and school supplies shall be administered by
21 the Department under the provisions of this subsection (b).

22 (1) Bundled sales. Items that qualify for the reduced
23 rate of tax that are bundled together with items that do
24 not qualify for the reduced rate of tax and that are sold
25 for one itemized price will be subject to the reduced rate
26 of tax only if the value of the items that qualify for the

1 reduced rate of tax exceeds the value of the items that do
2 not qualify for the reduced rate of tax.

3 (2) Coupons and discounts. An unreimbursed discount by
4 the seller reduces the sales price of the property so that
5 the discounted sales price determines whether the sales
6 price is within a sales tax holiday price threshold. A
7 coupon or other reduction in the sales price is treated as
8 a discount if the seller is not reimbursed for the coupon
9 or reduction amount by a third party.

10 (3) Splitting of items normally sold together.
11 Articles that are normally sold as a single unit must
12 continue to be sold in that manner. Such articles cannot
13 be priced separately and sold as individual items in order
14 to obtain the reduced rate of tax. For example, a pair of
15 shoes cannot have each shoe sold separately so that the
16 sales price of each shoe is within a sales tax holiday
17 price threshold.

18 (4) Rain checks. A rain check is a procedure that
19 allows a customer to purchase an item at a certain price at
20 a later time because the particular item was out of stock.
21 Eligible property that customers purchase during the sales
22 tax holiday period ~~Sales Tax Holiday Period~~ with the use
23 of a rain check will qualify for the reduced rate of tax
24 regardless of when the rain check was issued. Issuance of
25 a rain check during the sales tax holiday period ~~Sales Tax~~
26 ~~Holiday Period~~ will not qualify eligible property for the

1 reduced rate of tax if the property is actually purchased
2 after the sales tax holiday period ~~Sales Tax Holiday~~
3 ~~Period~~.

4 (5) Exchanges. The procedure for an exchange in
5 regards to a sales tax holiday is as follows:

6 (A) If a customer purchases an item of eligible
7 property during the sales tax holiday period ~~Sales Tax~~
8 ~~Holiday Period~~, but later exchanges the item for a
9 similar eligible item, even if a different size,
10 different color, or other feature, no additional tax
11 is due even if the exchange is made after the sales tax
12 holiday period ~~Sales Tax Holiday Period~~.

13 (B) If a customer purchases an item of eligible
14 property during the sales tax holiday period ~~Sales Tax~~
15 ~~Holiday Period~~, but after the sales tax holiday period
16 ~~Sales Tax Holiday Period~~ has ended, the customer
17 returns the item and receives credit on the purchase
18 of a different item, the 6.25% general merchandise
19 sales tax rate is due on the sale of the newly
20 purchased item.

21 (C) If a customer purchases an item of eligible
22 property before the sales tax holiday period ~~Sales Tax~~
23 ~~Holiday Period~~, but during the sales tax holiday
24 period ~~Sales Tax Holiday Period~~ the customer returns
25 the item and receives credit on the purchase of a
26 different item of eligible property, the reduced rate

1 of tax is due on the sale of the new item if the new
2 item is purchased during the sales tax holiday period
3 ~~Sales Tax Holiday Period~~.

4 (6) (Blank).

5 (7) Order date and back orders. For the purpose of a
6 sales tax holiday, eligible property qualifies for the
7 reduced rate of tax if: (i) the item is both delivered to
8 and paid for by the customer during the sales tax holiday
9 period ~~Sales Tax Holiday Period~~ or (ii) the customer
10 orders and pays for the item and the seller accepts the
11 order during the sales tax holiday period ~~Sales Tax~~
12 ~~Holiday Period~~ for immediate shipment, even if delivery is
13 made after the sales tax holiday period ~~Sales Tax Holiday~~
14 ~~Period~~. The seller accepts an order when the seller has
15 taken action to fill the order for immediate shipment.
16 Actions to fill an order include placement of an "in date"
17 stamp on an order or assignment of an "order number" to an
18 order within the sales tax holiday period ~~Sales Tax~~
19 ~~Holiday Period~~. An order is for immediate shipment when
20 the customer does not request delayed shipment. An order
21 is for immediate shipment notwithstanding that the
22 shipment may be delayed because of a backlog of orders or
23 because stock is currently unavailable to, or on back
24 order by, the seller.

25 (8) Returns. For a 60-day period immediately after the
26 sales tax holiday period ~~Sales Tax Holiday Period~~, if a

1 customer returns an item that would qualify for the
2 reduced rate of tax, credit for or refund of sales tax
3 shall be given only at the reduced rate unless the
4 customer provides a receipt or invoice that shows tax was
5 paid at the 6.25% general merchandise rate, or the seller
6 has sufficient documentation to show that tax was paid at
7 the 6.25% general merchandise rate on the specific item.
8 This 60-day period is set solely for the purpose of
9 designating a time period during which the customer must
10 provide documentation that shows that the appropriate
11 sales tax rate was paid on returned merchandise. The
12 60-day period is not intended to change a seller's policy
13 on the time period during which the seller will accept
14 returns.

15 (b-5) As used in this Section, "sales tax holiday period"
16 means:

17 (1) from August 6, 2010 through August 15, 2010;

18 (2) from August 5, 2022 through August 14, 2022; and

19 (3) from August 2, 2026 through August 11, 2026.

20 (c) The Department may implement the provisions of this
21 Section through the use of emergency rules, along with
22 permanent rules filed concurrently with such emergency rules,
23 in accordance with the provisions of Section 5-45 of the
24 Illinois Administrative Procedure Act. For purposes of the
25 Illinois Administrative Procedure Act, the adoption of rules
26 to implement the provisions of this Section shall be deemed an

1 emergency and necessary for the public interest, safety, and
2 welfare.

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

4 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

5 Sec. 3-10. Rate of tax. Unless otherwise provided in this
6 Section, the tax imposed by this Act is at the rate of 6.25% of
7 either the selling price or the fair market value, if any, of
8 the tangible personal property, which, on and after January 1,
9 2025, includes leases of tangible personal property. In all
10 cases where property functionally used or consumed is the same
11 as the property that was purchased at retail, then the tax is
12 imposed on the selling price of the property. In all cases
13 where property functionally used or consumed is a by-product
14 or waste product that has been refined, manufactured, or
15 produced from property purchased at retail, then the tax is
16 imposed on the lower of the fair market value, if any, of the
17 specific property so used in this State or on the selling price
18 of the property purchased at retail. For purposes of this
19 Section "fair market value" means the price at which property
20 would change hands between a willing buyer and a willing
21 seller, neither being under any compulsion to buy or sell and
22 both having reasonable knowledge of the relevant facts. The
23 fair market value shall be established by Illinois sales by
24 the taxpayer of the same property as that functionally used or
25 consumed, or if there are no such sales by the taxpayer, then

1 comparable sales or purchases of property of like kind and
2 character in Illinois.

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

7 During the sales tax holiday period, as defined in Section
8 3-6, Beginning on August 6, 2010 through August 15, 2010, and
9 beginning again on August 5, 2022 through August 14, 2022,
10 with respect to sales tax holiday items described ~~as defined~~
11 ~~in Section 3-6 of this Act,~~ the tax is imposed at the rate of
12 1.25%.

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

25 With respect to mid-range ethanol blends, the tax imposed
26 by this Act applies to (i) 80% of the proceeds of sales made on

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

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

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

26 With respect to biodiesel and biodiesel blends with more

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

7 Until July 1, 2022 and from July 1, 2023 through December
8 31, 2025, with respect to food for human consumption that is to
9 be consumed off the premises where it is sold (other than
10 alcoholic beverages, food consisting of or infused with adult
11 use cannabis, soft drinks, and food that has been prepared for
12 immediate consumption), the tax is imposed at the rate of 1%.
13 Beginning on July 1, 2022 and until July 1, 2023, with respect
14 to food for human consumption that is to be consumed off the
15 premises where it is sold (other than alcoholic beverages,
16 food consisting of or infused with adult use cannabis, soft
17 drinks, and food that has been prepared for immediate
18 consumption), the tax is imposed at the rate of 0%. On and
19 after January 1, 2026, 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, candy, and food that has been
23 prepared for immediate consumption) is exempt from the tax
24 imposed by this Act.

25 With respect to prescription and nonprescription
26 medicines, drugs, medical appliances, products classified as

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

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

26 Until August 1, 2009, and notwithstanding any other

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

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

21 Notwithstanding any other provisions of this Act,
22 beginning September 1, 2009, "nonprescription medicines and
23 drugs" does not include grooming and hygiene products. For
24 purposes of this Section, "grooming and hygiene products"
25 includes, but is not limited to, soaps and cleaning solutions,
26 shampoo, toothpaste, mouthwash, antiperspirants, and sun tan

1 lotions and screens, unless those products are available by
2 prescription only, regardless of whether the products meet the
3 definition of "over-the-counter-drugs". For the purposes of
4 this paragraph, "over-the-counter-drug" means a drug for human
5 use that contains a label that identifies the product as a drug
6 as required by 21 CFR 201.66. The "over-the-counter-drug"
7 label includes:

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

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

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

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

22 If the property that is purchased at retail from a
23 retailer is acquired outside Illinois and used outside
24 Illinois before being brought to Illinois for use here and is
25 taxable under this Act, the "selling price" on which the tax is
26 computed shall be reduced by an amount that represents a

1 reasonable allowance for depreciation for the period of prior
2 out-of-state use. No depreciation is allowed in cases where
3 the tax under this Act is imposed on lease receipts.

4 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
5 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
6 8-15-25.)

7 (35 ILCS 105/9)

8 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
9 and trailers that are required to be registered with an agency
10 of this State, each retailer required or authorized to collect
11 the tax imposed by this Act shall pay to the Department the
12 amount of such tax (except as otherwise provided) at the time
13 when he is required to file his return for the period during
14 which such tax was collected, less a discount of 2.1% prior to
15 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
16 per calendar year, whichever is greater, which is allowed to
17 reimburse the retailer for expenses incurred in collecting the
18 tax, keeping records, preparing and filing returns, remitting
19 the tax and supplying data to the Department on request.
20 Beginning with returns due on or after January 1, 2025, the
21 discount allowed in this Section, the Retailers' Occupation
22 Tax Act, the Service Occupation Tax Act, and the Service Use
23 Tax Act, including any local tax administered by the
24 Department and reported on the same return, shall not exceed
25 \$1,000 per month in the aggregate for returns other than

1 transaction returns filed during the month. When determining
2 the discount allowed under this Section, retailers shall
3 include the amount of tax that would have been due at the 6.25%
4 rate but for the 1.25% rate imposed on sales tax holiday items
5 under Public Act 102-700. The discount under this Section is
6 not allowed for the 1.25% portion of taxes paid on aviation
7 fuel that is subject to the revenue use requirements of 49
8 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining the
9 discount allowed under this Section, retailers shall include
10 the amount of tax that would have been due at the 1% rate but
11 for the 0% rate imposed under Public Act 102-700 or this
12 amendatory Act of the 104th General Assembly. In the case of
13 retailers who report and pay the tax on a transaction by
14 transaction basis, as provided in this Section, such discount
15 shall be taken with each such tax remittance instead of when
16 such retailer files his periodic return, but, beginning with
17 returns due on or after January 1, 2025, the discount allowed
18 under this Section and the Retailers' Occupation Tax Act,
19 including any local tax administered by the Department and
20 reported on the same transaction return, shall not exceed
21 \$1,000 per month for all transaction returns filed during the
22 month. The discount allowed under this Section is allowed only
23 for returns that are filed in the manner required by this Act.
24 The Department may disallow the discount for retailers whose
25 certificate of registration is revoked at the time the return
26 is filed, but only if the Department's decision to revoke the

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

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

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

21 Except as provided in this Section, on or before the
22 twentieth day of each calendar month, such retailer shall file
23 a return for the preceding calendar month. Such return shall
24 be filed on forms prescribed by the Department and shall
25 furnish such information as the Department may reasonably
26 require. The return shall include the gross receipts on food

1 for human consumption that is to be consumed off the premises
2 where it is sold (other than alcoholic beverages, food
3 consisting of or infused with adult use cannabis, soft drinks,
4 and food that has been prepared for immediate consumption)
5 which were received during the preceding calendar month,
6 quarter, or year, as appropriate, and upon which tax would
7 have been due but for the 0% rate imposed under Public Act
8 102-700. The return shall also include the amount of tax that
9 would have been due on food for human consumption that is to be
10 consumed off the premises where it is sold (other than
11 alcoholic beverages, food consisting of or infused with adult
12 use cannabis, soft drinks, and food that has been prepared for
13 immediate consumption) but for the 0% rate imposed under
14 Public Act 102-700.

15 On and after January 1, 2018, except for returns required
16 to be filed prior to January 1, 2023 for motor vehicles,
17 watercraft, aircraft, and trailers that are required to be
18 registered with an agency of this State, with respect to
19 retailers whose annual gross receipts average \$20,000 or more,
20 all returns required to be filed pursuant to this Act shall be
21 filed electronically. On and after January 1, 2023, with
22 respect to retailers whose annual gross receipts average
23 \$20,000 or more, all returns required to be filed pursuant to
24 this Act, including, but not limited to, returns for motor
25 vehicles, watercraft, aircraft, and trailers that are required
26 to be registered with an agency of this State, shall be filed

1 electronically. Retailers who demonstrate that they do not
2 have access to the Internet or demonstrate hardship in filing
3 electronically may petition the Department to waive the
4 electronic filing requirement.

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

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

1 may require.

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

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

19 Notwithstanding any other provision of this Act to the
20 contrary, retailers subject to tax on cannabis shall file all
21 cannabis tax returns and shall make all cannabis tax payments
22 by electronic means in the manner and form required by the
23 Department.

24 Beginning October 1, 1993, a taxpayer who has an average
25 monthly tax liability of \$150,000 or more shall make all
26 payments required by rules of the Department by electronic

1 funds transfer. Beginning October 1, 1994, a taxpayer who has
2 an average monthly tax liability of \$100,000 or more shall
3 make all payments required by rules of the Department by
4 electronic funds transfer. Beginning October 1, 1995, a
5 taxpayer who has an average monthly tax liability of \$50,000
6 or more shall make all payments required by rules of the
7 Department by electronic funds transfer. Beginning October 1,
8 2000, a taxpayer who has an annual tax liability of \$200,000 or
9 more shall make all payments required by rules of the
10 Department by electronic funds transfer. The term "annual tax
11 liability" shall be the sum of the taxpayer's liabilities
12 under this Act, and under all other State and local occupation
13 and use tax laws administered by the Department, for the
14 immediately preceding calendar year. The term "average monthly
15 tax liability" means the sum of the taxpayer's liabilities
16 under this Act, and under all other State and local occupation
17 and use tax laws administered by the Department, for the
18 immediately preceding calendar year divided by 12. Beginning
19 on October 1, 2002, a taxpayer who has a tax liability in the
20 amount set forth in subsection (b) of Section 2505-210 of the
21 Department of Revenue Law shall make all payments required by
22 rules of the Department by electronic funds transfer.

23 Before August 1 of each year beginning in 1993, the
24 Department shall notify all taxpayers required to make
25 payments by electronic funds transfer. All taxpayers required
26 to make payments by electronic funds transfer shall make those

1 payments for a minimum of one year beginning on October 1.

2 Any taxpayer not required to make payments by electronic
3 funds transfer may make payments by electronic funds transfer
4 with the permission of the Department.

5 All taxpayers required to make payment by electronic funds
6 transfer and any taxpayers authorized to voluntarily make
7 payments by electronic funds transfer shall make those
8 payments in the manner authorized by the Department.

9 The Department shall adopt such rules as are necessary to
10 effectuate a program of electronic funds transfer and the
11 requirements of this Section.

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

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

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

1 the making of quarter monthly payments to the Department shall
2 continue until such taxpayer's average monthly liability to
3 the Department during the preceding 4 complete calendar
4 quarters (excluding the month of highest liability and the
5 month of lowest liability) is less than \$19,000 or until such
6 taxpayer's average monthly liability to the Department as
7 computed for each calendar quarter of the 4 preceding complete
8 calendar quarter period is less than \$20,000. However, if a
9 taxpayer can show the Department that a substantial change in
10 the taxpayer's business has occurred which causes the taxpayer
11 to anticipate that his average monthly tax liability for the
12 reasonably foreseeable future will fall below the \$20,000
13 threshold stated above, then such taxpayer may petition the
14 Department for a change in such taxpayer's reporting status.
15 The Department shall change such taxpayer's reporting status
16 unless it finds that such change is seasonal in nature and not
17 likely to be long term. Quarter monthly payment status shall
18 be determined under this paragraph as if the rate reduction to
19 1.25% in Public Act 102-700 on sales tax holiday items had not
20 occurred. Quarter monthly payment status shall be determined
21 under this paragraph as if the rate reduction to 1.25% in this
22 amendatory Act of the 104th General Assembly on sales tax
23 holiday items had not occurred. For quarter monthly payments
24 due on or after July 1, 2023 and through June 30, 2024, "25% of
25 the taxpayer's liability for the same calendar month of the
26 preceding year" shall be determined as if the rate reduction

1 to 1.25% in Public Act 102-700 on sales tax holiday items had
2 not occurred. For quarter monthly payments due on or after
3 July 1, 2026 and through June 30, 2027, "25% of the taxpayer's
4 liability for the same calendar month of the preceding year"
5 shall be determined as if the rate reduction to 1.25% in this
6 amendatory Act of the 104th General Assembly on sales tax
7 holiday items had not occurred. Quarter monthly payment status
8 shall be determined under this paragraph as if the rate
9 reduction to 0% in Public Act 102-700 on food for human
10 consumption that is to be consumed off the premises where it is
11 sold (other than alcoholic beverages, food consisting of or
12 infused with adult use cannabis, soft drinks, and food that
13 has been prepared for immediate consumption) had not occurred.
14 For quarter monthly payments due under this paragraph on or
15 after July 1, 2023 and through June 30, 2024, "25% of the
16 taxpayer's liability for the same calendar month of the
17 preceding year" shall be determined as if the rate reduction
18 to 0% in Public Act 102-700 had not occurred. If any such
19 quarter monthly payment is not paid at the time or in the
20 amount required by this Section, then the taxpayer shall be
21 liable for penalties and interest on the difference between
22 the minimum amount due and the amount of such quarter monthly
23 payment actually and timely paid, except insofar as the
24 taxpayer has previously made payments for that month to the
25 Department in excess of the minimum payments previously due as
26 provided in this Section. The Department shall make reasonable

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

4 If any such payment provided for in this Section exceeds
5 the taxpayer's liabilities under this Act, the Retailers'
6 Occupation Tax Act, the Service Occupation Tax Act and the
7 Service Use Tax Act, as shown by an original monthly return,
8 the Department shall issue to the taxpayer a credit memorandum
9 no later than 30 days after the date of payment, which
10 memorandum may be submitted by the taxpayer to the Department
11 in payment of tax liability subsequently to be remitted by the
12 taxpayer to the Department or be assigned by the taxpayer to a
13 similar taxpayer under this Act, the Retailers' Occupation Tax
14 Act, the Service Occupation Tax Act or the Service Use Tax Act,
15 in accordance with reasonable rules and regulations to be
16 prescribed by the Department, except that if such excess
17 payment is shown on an original monthly return and is made
18 after December 31, 1986, no credit memorandum shall be issued,
19 unless requested by the taxpayer. If no such request is made,
20 the taxpayer may credit such excess payment against tax
21 liability subsequently to be remitted by the taxpayer to the
22 Department under this Act, the Retailers' Occupation Tax Act,
23 the Service Occupation Tax Act or the Service Use Tax Act, in
24 accordance with reasonable rules and regulations prescribed by
25 the Department. If the Department subsequently determines that
26 all or any part of the credit taken was not actually due to the

1 taxpayer, the taxpayer's vendor's discount shall be reduced,
2 if necessary, to reflect the difference between the credit
3 taken and that actually due, and the taxpayer shall be liable
4 for penalties and interest on such difference.

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

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

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

25 Notwithstanding any other provision in this Act concerning
26 the time within which a retailer may file his return, in the

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

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

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

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

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

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

14 The transaction reporting return in the case of watercraft
15 and aircraft must show the name and address of the seller; the
16 name and address of the purchaser; the amount of the selling
17 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 2 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, and
3 such other information as the Department may reasonably
4 require.

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

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

1 support of such purchaser's application for an Illinois
2 certificate or other evidence of title or registration to such
3 tangible personal property.

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

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

1 the tax directly to the Department, he shall pay the tax in the
2 same amount and in the same form in which it would be remitted
3 if the tax had been remitted to the Department by the retailer.

4 On and after January 1, 2025, with respect to the lease of
5 trailers, other than semitrailers as defined in Section 1-187
6 of the Illinois Vehicle Code, that are required to be
7 registered with an agency of this State and that are subject to
8 the tax on lease receipts under this Act, notwithstanding any
9 other provision of this Act to the contrary, for the purpose of
10 reporting and paying tax under this Act on those lease
11 receipts, lessors shall file returns in addition to and
12 separate from the transaction reporting return. Lessors shall
13 file those lease returns and make payment to the Department by
14 electronic means on or before the 20th day of each month
15 following the month, quarter, or year, as applicable, in which
16 lease receipts were received. All lease receipts received by
17 the lessor from the lease of those trailers during the same
18 reporting period shall be reported and tax shall be paid on a
19 single return form to be prescribed by the Department.

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

1 to the purchaser, the retailer may deduct the amount of the tax
2 so refunded by him to the purchaser from any other use tax
3 which such retailer may be required to pay or remit to the
4 Department, as shown by such return, if the amount of the tax
5 to be deducted was previously remitted to the Department by
6 such retailer. If the retailer has not previously remitted the
7 amount of such tax to the Department, he is entitled to no
8 deduction under this Act upon refunding such tax to the
9 purchaser.

10 Any retailer filing a return under this Section shall also
11 include (for the purpose of paying tax thereon) the total tax
12 covered by such return upon the selling price of tangible
13 personal property purchased by him at retail from a retailer,
14 but as to which the tax imposed by this Act was not collected
15 from the retailer filing such return, and such retailer shall
16 remit the amount of such tax to the Department when filing such
17 return.

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

24 Where the retailer has more than one business registered
25 with the Department under separate registration under this
26 Act, such retailer may not file each return that is due as a

1 single return covering all such registered businesses, but
2 shall file separate returns for each such registered business.

3 Beginning January 1, 1990, each month the Department shall
4 pay into the State and Local Sales Tax Reform Fund, a special
5 fund in the State treasury which is hereby created, the net
6 revenue realized for the preceding month from the 1% tax
7 imposed under this Act.

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

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

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 Fuels 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. If, in any
16 month, the tax on sales tax holiday items, as defined in
17 Section 3-6, is imposed at the rate of 1.25%, then the
18 Department shall pay 100% of the net revenue realized for that
19 month from the 1.25% rate on the selling price of sales tax
20 holiday items into the State and Local Sales Tax Reform Fund.

21 Beginning January 1, 1990, each month the Department shall
22 pay into the Local Government Tax Fund 16% of the net revenue
23 realized for the preceding month from the 6.25% general rate
24 on the selling price of tangible personal property which is
25 purchased outside Illinois at retail from a retailer and which
26 is titled or registered by an agency of this State's

1 government.

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

9 Beginning July 1, 2011, each month the Department shall
10 pay into the Clean Air Act Permit Fund 80% of the net revenue
11 realized for the preceding month from the 6.25% general rate
12 on the selling price of sorbents used in Illinois in the
13 process of sorbent injection as used to comply with the
14 Environmental Protection Act or the federal Clean Air Act, but
15 the total payment into the Clean Air Act Permit Fund under this
16 Act and the Retailers' Occupation Tax Act shall not exceed
17 \$2,000,000 in any fiscal year.

18 Beginning July 1, 2013, each month the Department shall
19 pay into the Underground Storage Tank Fund from the proceeds
20 collected under this Act, the Service Use Tax Act, the Service
21 Occupation Tax Act, and the Retailers' Occupation Tax Act an
22 amount equal to the average monthly deficit in the Underground
23 Storage Tank Fund during the prior year, as certified annually
24 by the Illinois Environmental Protection Agency, but the total
25 payment into the Underground Storage Tank Fund under this Act,
26 the Service Use Tax Act, the Service Occupation Tax Act, and

1 the Retailers' Occupation Tax Act shall not exceed \$18,000,000
2 in any State fiscal year. As used in this paragraph, the
3 "average monthly deficit" shall be equal to the difference
4 between the average monthly claims for payment by the fund and
5 the average monthly revenues deposited into the fund,
6 excluding payments made pursuant to this paragraph.

7 Beginning July 1, 2015, of the remainder of the moneys
8 received by the Department under this Act, the Service Use Tax
9 Act, the Service Occupation Tax Act, and the Retailers'
10 Occupation Tax Act, each month the Department shall deposit
11 \$500,000 into the State Crime Laboratory Fund.

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

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

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

26 Subject to payment of amounts into the Build Illinois Fund

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

12	Fiscal Year	Total Deposit
13	1993	\$0
14	1994	53,000,000
15	1995	58,000,000
16	1996	61,000,000
17	1997	64,000,000
18	1998	68,000,000
19	1999	71,000,000
20	2000	75,000,000
21	2001	80,000,000
22	2002	93,000,000
23	2003	99,000,000
24	2004	103,000,000
25	2005	108,000,000
26	2006	113,000,000

1	2007	119,000,000
2	2008	126,000,000
3	2009	132,000,000
4	2010	139,000,000
5	2011	146,000,000
6	2012	153,000,000
7	2013	161,000,000
8	2014	170,000,000
9	2015	179,000,000
10	2016	189,000,000
11	2017	199,000,000
12	2018	210,000,000
13	2019	221,000,000
14	2020	233,000,000
15	2021	300,000,000
16	2022	300,000,000
17	2023	300,000,000
18	2024	300,000,000
19	2025	300,000,000
20	2026	300,000,000
21	2027	375,000,000
22	2028	375,000,000
23	2029	375,000,000
24	2030	375,000,000
25	2031	375,000,000
26	2032	375,000,000

1	2033	375,000,000
2	2034	375,000,000
3	2035	375,000,000
4	2036	450,000,000

5 and

6 each fiscal year

7 thereafter that bonds

8 are outstanding under

9 Section 13.2 of the

10 Metropolitan Pier and

11 Exposition Authority Act,

12 but not after fiscal year 2060.

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

26 Subject to payment of amounts into the Capital Projects

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

13 Subject to payment of amounts into the Build Illinois Fund
14 and the McCormick Place Expansion Project Fund pursuant to the
15 preceding paragraphs or in any amendments thereto hereafter
16 enacted, beginning July 1, 1993 and ending on September 30,
17 2013, the Department shall each month pay into the Illinois
18 Tax Increment Fund 0.27% of 80% of the net revenue realized for
19 the preceding month from the 6.25% general rate on the selling
20 price of tangible personal property.

21 Subject to payment of amounts into the Build Illinois
22 Fund, the McCormick Place Expansion Project Fund, the Illinois
23 Tax Increment Fund, and the Energy Infrastructure Fund
24 pursuant to the preceding paragraphs or in any amendments to
25 this Section hereafter enacted, beginning on the first day of
26 the first calendar month to occur on or after August 26, 2014

1 (the effective date of Public Act 98-1098), each month, from
2 the collections made under Section 9 of the Use Tax Act,
3 Section 9 of the Service Use Tax Act, Section 9 of the Service
4 Occupation Tax Act, and Section 3 of the Retailers' Occupation
5 Tax Act, the Department shall pay into the Tax Compliance and
6 Administration Fund, to be used, subject to appropriation, to
7 fund additional auditors and compliance personnel at the
8 Department of Revenue, an amount equal to 1/12 of 5% of 80% of
9 the cash receipts collected during the preceding fiscal year
10 by the Audit Bureau of the Department under the Use Tax Act,
11 the Service Use Tax Act, the Service Occupation Tax Act, the
12 Retailers' Occupation Tax Act, and associated local occupation
13 and use taxes administered by the Department.

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

21 Subject to successful execution and delivery of a
22 public-private agreement between the public agency and private
23 entity and completion of the civic build, beginning on July 1,
24 2023, of the remainder of the moneys received by the
25 Department under the Use Tax Act, the Service Use Tax Act, the
26 Service Occupation Tax Act, and this Act, the Department shall

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

16	Fiscal Year.....	Total Deposit
17	2024	\$200,000,000
18	2025	\$206,000,000
19	2026	\$212,200,000
20	2027	\$218,500,000
21	2028	\$225,100,000
22	2029	\$288,700,000
23	2030	\$298,900,000
24	2031	\$309,300,000
25	2032	\$320,100,000
26	2033	\$331,200,000

1	2034	.....	\$341,200,000
2	2035	.....	\$351,400,000
3	2036	.....	\$361,900,000
4	2037	.....	\$372,800,000
5	2038	.....	\$384,000,000
6	2039	.....	\$395,500,000
7	2040	.....	\$407,400,000
8	2041	.....	\$419,600,000
9	2042	.....	\$432,200,000
10	2043	.....	\$445,100,000

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

1 Beginning July 1, 2023 and until July 1, 2024, subject to the
2 payment of amounts into the State and Local Sales Tax Reform
3 Fund, the Build Illinois Fund, the McCormick Place Expansion
4 Project Fund, the Illinois Tax Increment Fund, and the Tax
5 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 48% of the net revenue
8 realized from the taxes imposed on motor fuel and gasohol.
9 Beginning July 1, 2024 and until July 1, 2026, 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 64% of the net revenue
16 realized from the taxes imposed on motor fuel and gasohol.
17 Beginning on July 1, 2026, subject to the payment of amounts
18 into the State and Local Sales Tax Reform Fund, the Build
19 Illinois Fund, the McCormick Place Expansion Project Fund, the
20 Illinois Tax Increment Fund, and the Tax Compliance and
21 Administration Fund as provided in this Section, the
22 Department shall pay each month into the Road Fund the amount
23 estimated to represent 80% of the net revenue realized from
24 the taxes imposed on motor fuel and gasohol. As used in this
25 paragraph, "motor fuel" has the meaning given to that term in
26 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the

1 meaning given to that term in Section 3-40 of this Act.

2 Until July 1, 2025, of the remainder of the moneys
3 received by the Department pursuant to this Act, 75% thereof
4 shall be paid into the State treasury and 25% shall be reserved
5 in a special account and used only for the transfer to the
6 Common School Fund as part of the monthly transfer from the
7 General Revenue Fund in accordance with Section 8a of the
8 State Finance Act. Beginning July 1, 2025, of the remainder of
9 the moneys received by the Department pursuant to this Act,
10 75% shall be deposited into the General Revenue Fund and 25%
11 shall be deposited into the Common School Fund.

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

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

23 For greater simplicity of administration, manufacturers,
24 importers and wholesalers whose products are sold at retail in
25 Illinois by numerous retailers, and who wish to do so, may
26 assume the responsibility for accounting and paying to the

1 Department all tax accruing under this Act with respect to
2 such sales, if the retailers who are affected do not make
3 written objection to the Department to this arrangement.

4 (Source: P.A. 103-154, eff. 6-30-23; 103-363, eff. 7-28-23;
5 103-592, Article 75, Section 75-5, eff. 1-1-25; 103-592,
6 Article 110, Section 110-5, eff. 6-7-24; 103-1055, eff.
7 12-20-24; 104-6, Article 5, Section 5-10, eff. 6-16-25; 104-6,
8 Article 35, Section 35-20, eff. 6-16-25; revised 7-21-25.)

9 Section 15. The Retailers' Occupation Tax Act is amended
10 by changing Sections 2-8, 2-10 and 3 as follows:

11 (35 ILCS 120/2-8)

12 Sec. 2-8. Sales tax holiday items.

13 (a) Any tangible personal property described in this
14 subsection is a sales tax holiday item and qualifies for the
15 1.25% reduced rate of tax for the sales tax holiday period
16 ~~period set forth in Section 2-10 of this Act (hereinafter~~
17 ~~referred to as the Sales Tax Holiday Period)~~. The reduced rate
18 on these items shall be administered under the provisions of
19 subsection (b) of this Section. The following items are
20 subject to the reduced rate:

21 (1) Clothing items that each have a retail selling
22 price of less than \$125.

23 "Clothing" means, unless otherwise specified in this
24 Section, all human wearing apparel suitable for general

1 use. "Clothing" does not include clothing accessories,
2 protective equipment, or sport or recreational equipment.

3 "Clothing" includes, but is not limited to: household and
4 shop aprons; athletic supporters; bathing suits and caps;
5 belts and suspenders; boots; coats and jackets; ear muffs;
6 footlets; gloves and mittens for general use; hats and
7 caps; hosiery; insoles for shoes; lab coats; neckties;
8 overshoes; pantyhose; rainwear; rubber pants; sandals;
9 scarves; shoes and shoelaces; slippers; sneakers; socks
10 and stockings; steel-toed shoes; underwear; and school
11 uniforms.

12 "Clothing accessories" means, but is not limited to:
13 briefcases; cosmetics; hair notions, including, but not
14 limited to barrettes, hair bows, and hair nets; handbags;
15 handkerchiefs; jewelry; non-prescription sunglasses;
16 umbrellas; wallets; watches; and wigs and hair pieces.

17 "Protective equipment" means, but is not limited to:
18 breathing masks; clean room apparel and equipment; ear and
19 hearing protectors; face shields; hard hats; helmets;
20 paint or dust respirators; protective gloves; safety
21 glasses and goggles; safety belts; tool belts; and
22 welder's gloves and masks.

23 "Sport or recreational equipment" means, but is not
24 limited to: ballet and tap shoes; cleated or spiked
25 athletic shoes; gloves, including, but not limited to,
26 baseball, bowling, boxing, hockey, and golf gloves;

1 goggles; hand and elbow guards; life preservers and vests;
2 mouth guards; roller and ice skates; shin guards; shoulder
3 pads; ski boots; waders; and wetsuits and fins.

4 (2) School supplies. "School supplies" means, unless
5 otherwise specified in this Section, items used by a
6 student in a course of study. The purchase of school
7 supplies for use by persons other than students for use in
8 a course of study are not eligible for the reduced rate of
9 tax. "School supplies" do not include school art supplies;
10 school instructional materials; cameras; film and memory
11 cards; videocameras, tapes, and videotapes; computers;
12 cell phones; Personal Digital Assistants (PDAs); handheld
13 electronic schedulers; and school computer supplies.

14 "School supplies" includes, but is not limited to:
15 binders; book bags; calculators; cellophane tape;
16 blackboard chalk; compasses; composition books; crayons;
17 erasers; expandable, pocket, plastic, and manila folders;
18 glue, paste, and paste sticks; highlighters; index cards;
19 index card boxes; legal pads; lunch boxes; markers;
20 notebooks; paper, including loose leaf ruled notebook
21 paper, copy paper, graph paper, tracing paper, manila
22 paper, colored paper, poster board, and construction
23 paper; pencils; pencil leads; pens; ink and ink refills
24 for pens; pencil boxes and other school supply boxes;
25 pencil sharpeners; protractors; rulers; scissors; and
26 writing tablets.

1 "School art supply" means an item commonly used by a
2 student in a course of study for artwork and includes only
3 the following items: clay and glazes; acrylic, tempera,
4 and oil paint; paintbrushes for artwork; sketch and
5 drawing pads; and watercolors.

6 "School instructional material" means written material
7 commonly used by a student in a course of study as a
8 reference and to learn the subject being taught and
9 includes only the following items: reference books;
10 reference maps and globes; textbooks; and workbooks.

11 "School computer supply" means an item commonly used
12 by a student in a course of study in which a computer is
13 used and applies only to the following items: flashdrives
14 and other computer data storage devices; data storage
15 media, such as diskettes and compact disks; boxes and
16 cases for disk storage; external ports or drives; computer
17 cases; computer cables; computer printers; and printer
18 cartridges, toner, and ink.

19 (b) Administration. Notwithstanding any other provision of
20 this Act, the reduced rate of tax under Section 3-10 of this
21 Act for clothing and school supplies shall be administered by
22 the Department under the provisions of this subsection (b).

23 (1) Bundled sales. Items that qualify for the reduced
24 rate of tax that are bundled together with items that do
25 not qualify for the reduced rate of tax and that are sold
26 for one itemized price will be subject to the reduced rate

1 of tax only if the value of the items that qualify for the
2 reduced rate of tax exceeds the value of the items that do
3 not qualify for the reduced rate of tax.

4 (2) Coupons and discounts. An unreimbursed discount by
5 the seller reduces the sales price of the property so that
6 the discounted sales price determines whether the sales
7 price is within a sales tax holiday price threshold. A
8 coupon or other reduction in the sales price is treated as
9 a discount if the seller is not reimbursed for the coupon
10 or reduction amount by a third party.

11 (3) Splitting of items normally sold together.
12 Articles that are normally sold as a single unit must
13 continue to be sold in that manner. Such articles cannot
14 be priced separately and sold as individual items in order
15 to obtain the reduced rate of tax. For example, a pair of
16 shoes cannot have each shoe sold separately so that the
17 sales price of each shoe is within a sales tax holiday
18 price threshold.

19 (4) Rain checks. A rain check is a procedure that
20 allows a customer to purchase an item at a certain price at
21 a later time because the particular item was out of stock.
22 Eligible property that customers purchase during the sales
23 tax holiday period ~~Sales Tax Holiday Period~~ with the use
24 of a rain check will qualify for the reduced rate of tax
25 regardless of when the rain check was issued. Issuance of
26 a rain check during the sales tax holiday period ~~Sales Tax~~

1 ~~Holiday Period~~ will not qualify eligible property for the
2 reduced rate of tax if the property is actually purchased
3 after the sales tax holiday period ~~Sales Tax Holiday~~
4 ~~Period~~.

5 (5) Exchanges. The procedure for an exchange in
6 regards to a sales tax holiday is as follows:

7 (A) If a customer purchases an item of eligible
8 property during the sales tax holiday period ~~Sales Tax~~
9 ~~Holiday Period~~, but later exchanges the item for a
10 similar eligible item, even if a different size,
11 different color, or other feature, no additional tax
12 is due even if the exchange is made after the sales tax
13 holiday period ~~Sales Tax Holiday Period~~.

14 (B) If a customer purchases an item of eligible
15 property during the sales tax holiday period ~~Sales Tax~~
16 ~~Holiday Period~~, but after the sales tax holiday period
17 ~~Sales Tax Holiday Period~~ has ended, the customer
18 returns the item and receives credit on the purchase
19 of a different item, the 6.25% general merchandise
20 sales tax rate is due on the sale of the newly
21 purchased item.

22 (C) If a customer purchases an item of eligible
23 property before the sales tax holiday period ~~Sales Tax~~
24 ~~Holiday Period~~, but during the sales tax holiday
25 period ~~Sales Tax Holiday Period~~ the customer returns
26 the item and receives credit on the purchase of a

1 different item of eligible property, the reduced rate
2 of tax is due on the sale of the new item if the new
3 item is purchased during the sales tax holiday period
4 ~~Sales Tax Holiday Period~~.

5 (6) (Blank).

6 (7) Order date and back orders. For the purpose of a
7 sales tax holiday, eligible property qualifies for the
8 reduced rate of tax if: (i) the item is both delivered to
9 and paid for by the customer during the sales tax holiday
10 period ~~Sales Tax Holiday Period~~ or (ii) the customer
11 orders and pays for the item and the seller accepts the
12 order during the sales tax holiday period ~~Sales Tax~~
13 ~~Holiday Period~~ for immediate shipment, even if delivery is
14 made after the sales tax holiday period ~~Sales Tax Holiday~~
15 ~~Period~~. The seller accepts an order when the seller has
16 taken action to fill the order for immediate shipment.
17 Actions to fill an order include placement of an "in date"
18 stamp on an order or assignment of an "order number" to an
19 order within the sales tax holiday period ~~Sales Tax~~
20 ~~Holiday Period~~. An order is for immediate shipment when
21 the customer does not request delayed shipment. An order
22 is for immediate shipment notwithstanding that the
23 shipment may be delayed because of a backlog of orders or
24 because stock is currently unavailable to, or on back
25 order by, the seller.

26 (8) Returns. For a 60-day period immediately after the

1 sales tax holiday period ~~Sales Tax Holiday Period~~, if a
2 customer returns an item that would qualify for the
3 reduced rate of tax, credit for or refund of sales tax
4 shall be given only at the reduced rate unless the
5 customer provides a receipt or invoice that shows tax was
6 paid at the 6.25% general merchandise rate, or the seller
7 has sufficient documentation to show that tax was paid at
8 the 6.25% general merchandise rate on the specific item.
9 This 60-day period is set solely for the purpose of
10 designating a time period during which the customer must
11 provide documentation that shows that the appropriate
12 sales tax rate was paid on returned merchandise. The
13 60-day period is not intended to change a seller's policy
14 on the time period during which the seller will accept
15 returns.

16 (b-5) As used in this Section, "sales tax holiday period"
17 means:

18 (1) from August 6, 2010 through August 15, 2010;

19 (2) from August 5, 2022 through August 14, 2022; and

20 (3) from August 2, 2026 through August 11, 2026.

21 (c) The Department may implement the provisions of this
22 Section through the use of emergency rules, along with
23 permanent rules filed concurrently with such emergency rules,
24 in accordance with the provisions of Section 5-45 of the
25 Illinois Administrative Procedure Act. For purposes of the
26 Illinois Administrative Procedure Act, the adoption of rules

1 to implement the provisions of this Section shall be deemed an
2 emergency and necessary for the public interest, safety, and
3 welfare.

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

5 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

6 Sec. 2-10. 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 gross receipts from sales, which, on and after January 1,
9 2025, includes leases, of tangible personal property made in
10 the course of business.

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

15 During the sales tax holiday period, as defined in Section
16 2-8, Beginning on August 6, 2010 through August 15, 2010, and
17 beginning again on August 5, 2022 through August 14, 2022,
18 with respect to sales tax holiday items described ~~as defined~~
19 in Section 2-8 ~~of this Act~~, the tax is imposed at the rate of
20 1.25%.

21 Within 14 days after July 1, 2000 (the effective date of
22 Public Act 91-872), each retailer of motor fuel and gasohol
23 shall cause the following notice to be posted in a prominently
24 visible place on each retail dispensing device that is used to
25 dispense motor fuel or gasohol in the State of Illinois: "As of

1 July 1, 2000, the State of Illinois has eliminated the State's
2 share of sales tax on motor fuel and gasohol through December
3 31, 2000. The price on this pump should reflect the
4 elimination of the tax." The notice shall be printed in bold
5 print on a sign that is no smaller than 4 inches by 8 inches.
6 The sign shall be clearly visible to customers. Any retailer
7 who fails to post or maintain a required sign through December
8 31, 2000 is guilty of a petty offense for which the fine shall
9 be \$500 per day per each retail premises where a violation
10 occurs.

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

24 With respect to mid-range ethanol blends, as defined in
25 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
26 applies to (i) 80% of the proceeds of sales made on or after

1 January 1, 2024 and on or before December 31, 2028 and (ii)
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 mid-range ethanol blends is imposed at the rate of 1.25%, then
5 the tax imposed by this Act applies to 100% of the proceeds of
6 sales of mid-range ethanol blends made during that time.

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

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

1 With respect to biodiesel, as defined in the Use Tax Act,
2 and biodiesel blends, as defined in the Use Tax Act, 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 of the Use Tax Act.

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 July 1, 2022 and until July 1, 2023, with respect to
16 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 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
25 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
26 8-15-25.)

1 (35 ILCS 120/3)

2 Sec. 3. Except as provided in this Section, on or before
3 the twentieth day of each calendar month, every person engaged
4 in the business of selling, which, on and after January 1,
5 2025, includes leasing, tangible personal property at retail
6 in this State during the preceding calendar month shall file a
7 return with the Department, stating:

8 1. The name of the seller;

9 2. His residence address and the address of his
10 principal place of business and the address of the
11 principal place of business (if that is a different
12 address) from which he engages in the business of selling
13 tangible personal property at retail in this State;

14 3. Total amount of receipts received by him during the
15 preceding calendar month or quarter, as the case may be,
16 from sales of tangible personal property, and from
17 services furnished, by him during such preceding calendar
18 month or quarter;

19 4. Total amount received by him during the preceding
20 calendar month or quarter on charge and time sales of
21 tangible personal property, and from services furnished,
22 by him prior to the month or quarter for which the return
23 is filed;

24 5. Deductions allowed by law;

25 6. Gross receipts which were received by him during

1 the preceding calendar month or quarter and upon the basis
2 of which the tax is imposed, including gross receipts on
3 food for human consumption that is to be consumed off the
4 premises where it is sold (other than alcoholic beverages,
5 food consisting of or infused with adult use cannabis,
6 soft drinks, and food that has been prepared for immediate
7 consumption) which were received during the preceding
8 calendar month or quarter and upon which tax would have
9 been due but for the 0% rate imposed under Public Act
10 102-700;

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

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

20 9. The signature of the taxpayer; and

21 10. Such other reasonable information as the
22 Department may require.

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

1 On and after January 1, 2018, except for returns required
2 to be filed prior to January 1, 2023 for motor vehicles,
3 watercraft, aircraft, and trailers that are required to be
4 registered with an agency of this State, with respect to
5 retailers whose annual gross receipts average \$20,000 or more,
6 all returns required to be filed pursuant to this Act shall be
7 filed electronically. On and after January 1, 2023, with
8 respect to retailers whose annual gross receipts average
9 \$20,000 or more, all returns required to be filed pursuant to
10 this Act, including, but not limited to, returns for motor
11 vehicles, watercraft, aircraft, and trailers that are required
12 to be registered with an agency of this State, shall be filed
13 electronically. Retailers who demonstrate that they do not
14 have access to the Internet or demonstrate hardship in filing
15 electronically may petition the Department to waive the
16 electronic filing requirement.

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

21 Each return shall be accompanied by the statement of
22 prepaid tax issued pursuant to Section 2e for which credit is
23 claimed.

24 Prior to October 1, 2003 and on and after September 1,
25 2004, a retailer may accept a Manufacturer's Purchase Credit
26 certification from a purchaser in satisfaction of Use Tax as

1 provided in Section 3-85 of the Use Tax Act if the purchaser
2 provides the appropriate documentation as required by Section
3 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
4 certification, accepted by a retailer prior to October 1, 2003
5 and on and after September 1, 2004 as provided in Section 3-85
6 of the Use Tax Act, may be used by that retailer to satisfy
7 Retailers' Occupation Tax liability in the amount claimed in
8 the certification, not to exceed 6.25% of the receipts subject
9 to tax from a qualifying purchase. A Manufacturer's Purchase
10 Credit reported on any original or amended return filed under
11 this Act after October 20, 2003 for reporting periods prior to
12 September 1, 2004 shall be disallowed. Manufacturer's Purchase
13 Credit reported on annual returns due on or after January 1,
14 2005 will be disallowed for periods prior to September 1,
15 2004. No Manufacturer's Purchase Credit may be used after
16 September 30, 2003 through August 31, 2004 to satisfy any tax
17 liability imposed under this Act, including any audit
18 liability.

19 Beginning on July 1, 2023 and through December 31, 2032, a
20 retailer may accept a Sustainable Aviation Fuel Purchase
21 Credit certification from an air common carrier-purchaser in
22 satisfaction of Use Tax on aviation fuel as provided in
23 Section 3-87 of the Use Tax Act if the purchaser provides the
24 appropriate documentation as required by Section 3-87 of the
25 Use Tax Act. A Sustainable Aviation Fuel Purchase Credit
26 certification accepted by a retailer in accordance with this

1 paragraph may be used by that retailer to satisfy Retailers'
2 Occupation Tax liability (but not in satisfaction of penalty
3 or interest) in the amount claimed in the certification, not
4 to exceed 6.25% of the receipts subject to tax from a sale of
5 aviation fuel. In addition, for a sale of aviation fuel to
6 qualify to earn the Sustainable Aviation Fuel Purchase Credit,
7 retailers must retain in their books and records a
8 certification from the producer of the aviation fuel that the
9 aviation fuel sold by the retailer and for which a sustainable
10 aviation fuel purchase credit was earned meets the definition
11 of sustainable aviation fuel under Section 3-87 of the Use Tax
12 Act. The documentation must include detail sufficient for the
13 Department to determine the number of gallons of sustainable
14 aviation fuel sold.

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 2 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; and

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

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

22 Beginning on October 1, 2003, any person who is not a
23 licensed distributor, importing distributor, or manufacturer,
24 as defined in the Liquor Control Act of 1934, but is engaged in
25 the business of selling, at retail, alcoholic liquor shall
26 file a statement with the Department of Revenue, in a format

1 and at a time prescribed by the Department, showing the total
2 amount paid for alcoholic liquor purchased during the
3 preceding month and such other information as is reasonably
4 required by the Department. The Department may adopt rules to
5 require that this statement be filed in an electronic or
6 telephonic format. Such rules may provide for exceptions from
7 the filing requirements of this paragraph. For the purposes of
8 this paragraph, the term "alcoholic liquor" shall have the
9 meaning prescribed in the Liquor Control Act of 1934.

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

1 the 10th day of the month for the preceding month during which
2 the transaction occurred. The distributor, importing
3 distributor, or manufacturer shall notify the retailer as to
4 the method by which the distributor, importing distributor, or
5 manufacturer will provide the sales information. If the
6 retailer is unable to receive the sales information by
7 electronic means, the distributor, importing distributor, or
8 manufacturer shall furnish the sales information by personal
9 delivery or by mail. For purposes of this paragraph, the term
10 "electronic means" includes, but is not limited to, the use of
11 a secure Internet website, e-mail, or facsimile.

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

16 Notwithstanding any other provision of this Act to the
17 contrary, retailers subject to tax on cannabis shall file all
18 cannabis tax returns and shall make all cannabis tax payments
19 by electronic means in the manner and form required by the
20 Department.

21 Beginning October 1, 1993, a taxpayer who has an average
22 monthly tax liability of \$150,000 or more shall make all
23 payments required by rules of the Department by electronic
24 funds transfer. Beginning October 1, 1994, a taxpayer who has
25 an average monthly tax liability of \$100,000 or more shall
26 make all payments required by rules of the Department by

1 electronic funds transfer. Beginning October 1, 1995, a
2 taxpayer who has an average monthly tax liability of \$50,000
3 or more shall make all payments required by rules of the
4 Department by electronic funds transfer. Beginning October 1,
5 2000, a taxpayer who has an annual tax liability of \$200,000 or
6 more shall make all payments required by rules of the
7 Department by electronic funds transfer. The term "annual tax
8 liability" shall be the sum of the taxpayer's liabilities
9 under this Act, and under all other State and local occupation
10 and use tax laws administered by the Department, for the
11 immediately preceding calendar year. The term "average monthly
12 tax liability" shall be the sum of the taxpayer's liabilities
13 under this Act, and under all other State and local occupation
14 and use tax laws administered by the Department, for the
15 immediately preceding calendar year divided by 12. Beginning
16 on October 1, 2002, a taxpayer who has a tax liability in the
17 amount set forth in subsection (b) of Section 2505-210 of the
18 Department of Revenue Law shall make all payments required by
19 rules of the Department by electronic funds transfer.

20 Before August 1 of each year beginning in 1993, the
21 Department shall notify all taxpayers required to make
22 payments by electronic funds transfer. All taxpayers required
23 to make payments by electronic funds transfer shall make those
24 payments for a minimum of one year beginning on October 1.

25 Any taxpayer not required to make payments by electronic
26 funds transfer may make payments by electronic funds transfer

1 with the permission of the Department.

2 All taxpayers required to make payment by electronic funds
3 transfer and any taxpayers authorized to voluntarily make
4 payments by electronic funds transfer shall make those
5 payments in the manner authorized by the Department.

6 The Department shall adopt such rules as are necessary to
7 effectuate a program of electronic funds transfer and the
8 requirements of this Section.

9 Any amount which is required to be shown or reported on any
10 return or other document under this Act shall, if such amount
11 is not a whole-dollar amount, be increased to the nearest
12 whole-dollar amount in any case where the fractional part of a
13 dollar is 50 cents or more, and decreased to the nearest
14 whole-dollar amount where the fractional part of a dollar is
15 less than 50 cents.

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

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

7 Such quarter annual and annual returns, as to form and
8 substance, shall be subject to the same requirements as
9 monthly returns.

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

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

23 In addition, with respect to motor vehicles, watercraft,
24 aircraft, and trailers that are required to be registered with
25 an agency of this State, except as otherwise provided in this
26 Section, every retailer selling this kind of tangible personal

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

21 In addition, with respect to motor vehicles, watercraft,
22 aircraft, and trailers that are required to be registered with
23 an agency of this State, every person who is engaged in the
24 business of leasing or renting such items and who, in
25 connection with such business, sells any such item to a
26 retailer for the purpose of resale is, notwithstanding any

1 other provision of this Section to the contrary, authorized to
2 meet the return-filing requirement of this Act by reporting
3 the transfer of all the aircraft, watercraft, motor vehicles,
4 or trailers transferred for resale during a month to the
5 Department on the same uniform invoice-transaction reporting
6 return form on or before the 20th of the month following the
7 month in which the transfer takes place. Notwithstanding any
8 other provision of this Act to the contrary, all returns filed
9 under this paragraph must be filed by electronic means in the
10 manner and form as required by the Department.

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

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

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

14 The transaction reporting return in the case of watercraft
15 or aircraft must show the name and address of the seller; the
16 name and address of the purchaser; the amount of the selling
17 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, and
3 such other information as the Department may reasonably
4 require.

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

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

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

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

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

1 the tax directly to the Department, he shall pay the tax in the
2 same amount and in the same form in which it would be remitted
3 if the tax had been remitted to the Department by the retailer.

4 On and after January 1, 2025, with respect to the lease of
5 trailers, other than semitrailers as defined in Section 1-187
6 of the Illinois Vehicle Code, that are required to be
7 registered with an agency of this State and that are subject to
8 the tax on lease receipts under this Act, notwithstanding any
9 other provision of this Act to the contrary, for the purpose of
10 reporting and paying tax under this Act on those lease
11 receipts, lessors shall file returns in addition to and
12 separate from the transaction reporting return. Lessors shall
13 file those lease returns and make payment to the Department by
14 electronic means on or before the 20th day of each month
15 following the month, quarter, or year, as applicable, in which
16 lease receipts were received. All lease receipts received by
17 the lessor from the lease of those trailers during the same
18 reporting period shall be reported and tax shall be paid on a
19 single return form to be prescribed by the Department.

20 Refunds made by the seller during the preceding return
21 period to purchasers, on account of tangible personal property
22 returned to the seller, shall be allowed as a deduction under
23 subdivision 5 of his monthly or quarterly return, as the case
24 may be, in case the seller had theretofore included the
25 receipts from the sale of such tangible personal property in a
26 return filed by him and had paid the tax imposed by this Act

1 with respect to such receipts.

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

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

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

1 provided in the Leveling the Playing Field for Illinois Retail
2 Act, is not eligible for the discount. Beginning with returns
3 due on or after January 1, 2025, the vendor's discount allowed
4 in this Section, the Service Occupation Tax Act, the Use Tax
5 Act, and the Service Use Tax Act, including any local tax
6 administered by the Department and reported on the same
7 return, shall not exceed \$1,000 per month in the aggregate for
8 returns other than transaction returns filed during the month.
9 When determining the discount allowed under this Section,
10 retailers shall include the amount of tax that would have been
11 due at the 1% rate but for the 0% rate imposed under Public Act
12 102-700. When determining the discount allowed under this
13 Section, retailers shall include the amount of tax that would
14 have been due at the 6.25% rate but for the 1.25% rate imposed
15 on sales tax holiday items under Public Act 102-700 or this
16 amendatory Act of the 104th General Assembly. The discount
17 under this Section is not allowed for the 1.25% portion of
18 taxes paid on aviation fuel that is subject to the revenue use
19 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. Any
20 prepayment made pursuant to Section 2d of this Act shall be
21 included in the amount on which such discount is computed. In
22 the case of retailers who report and pay the tax on a
23 transaction by transaction basis, as provided in this Section,
24 such discount shall be taken with each such tax remittance
25 instead of when such retailer files his periodic return, but,
26 beginning with returns due on or after January 1, 2025, the

1 vendor's discount allowed under this Section and the Use Tax
2 Act, including any local tax administered by the Department
3 and reported on the same transaction return, shall not exceed
4 \$1,000 per month for all transaction returns filed during the
5 month. The discount allowed under this Section is allowed only
6 for returns that are filed in the manner required by this Act.
7 The Department may disallow the discount for retailers whose
8 certificate of registration is revoked at the time the return
9 is filed, but only if the Department's decision to revoke the
10 certificate of 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. Quarter monthly payment status shall be determined
12 under this paragraph as if the rate reduction to 1.25% in this
13 amendatory Act of the 104th General Assembly on sales tax
14 holiday items had not occurred. For quarter monthly payments
15 due on or after July 1, 2023 and through June 30, 2024, "25% of
16 the taxpayer's liability for the same calendar month of the
17 preceding year" shall be determined as if the rate reduction
18 to 1.25% in Public Act 102-700 on sales tax holiday items had
19 not occurred. For quarter monthly payments due on or after
20 July 1, 2026 and through June 30, 2027, "25% of the taxpayer's
21 liability for the same calendar month of the preceding year"
22 shall be determined as if the rate reduction to 1.25% in this
23 amendatory Act of the 104th General Assembly on sales tax
24 holiday items had not occurred. If any such quarter monthly
25 payment is not paid at the time or in the amount required by
26 this Section, then the taxpayer shall be liable for penalties

1 and interest on the difference between the minimum amount due
2 as a payment and the amount of such quarter monthly payment
3 actually and timely paid, except insofar as the taxpayer has
4 previously made payments for that month to the Department in
5 excess of the minimum payments previously due as provided in
6 this Section. The Department shall make reasonable rules and
7 regulations to govern the quarter monthly payment amount and
8 quarter monthly payment dates for taxpayers who file on other
9 than a calendar monthly basis.

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

1 27.5% of the taxpayer's liability for the same calendar month
2 of the preceding calendar year. If the month during which such
3 tax liability is incurred begins on or after January 1, 1987,
4 each payment shall be in an amount equal to 22.5% of the
5 taxpayer's actual liability for the month or 26.25% of the
6 taxpayer's liability for the same calendar month of the
7 preceding year. The amount of such quarter monthly payments
8 shall be credited against the final tax liability of the
9 taxpayer's return for that month filed under this Section or
10 Section 2f, as the case may be. Once applicable, the
11 requirement of the making of quarter monthly payments to the
12 Department pursuant to this paragraph shall continue until
13 such taxpayer's average monthly prepaid tax collections during
14 the preceding 2 complete calendar quarters is \$25,000 or less.
15 If any such quarter monthly payment is not paid at the time or
16 in the amount required, the taxpayer shall be liable for
17 penalties and interest on such difference, except insofar as
18 the taxpayer has previously made payments for that month in
19 excess of the minimum payments previously due.

20 The provisions of this paragraph apply on and after
21 October 1, 2001. Without regard to whether a taxpayer is
22 required to make quarter monthly payments as specified above,
23 any taxpayer who is required by Section 2d of this Act to
24 collect and remit prepaid taxes and has collected prepaid
25 taxes that average in excess of \$20,000 per month during the
26 preceding 4 complete calendar quarters shall file a return

1 with the Department as required by Section 2f and shall make
2 payments to the Department on or before the 7th, 15th, 22nd,
3 and last day of the month during which the liability is
4 incurred. Each payment shall be in an amount equal to 22.5% of
5 the taxpayer's actual liability for the month or 25% of the
6 taxpayer's liability for the same calendar month of the
7 preceding year. The amount of the quarter monthly payments
8 shall be credited against the final tax liability of the
9 taxpayer's return for that month filed under this Section or
10 Section 2f, as the case may be. Once applicable, the
11 requirement of the making of quarter monthly payments to the
12 Department pursuant to this paragraph shall continue until the
13 taxpayer's average monthly prepaid tax collections during the
14 preceding 4 complete calendar quarters (excluding the month of
15 highest liability and the month of lowest liability) is less
16 than \$19,000 or until such taxpayer's average monthly
17 liability to the Department as computed for each calendar
18 quarter of the 4 preceding complete calendar quarters is less
19 than \$20,000. If any such quarter monthly payment is not paid
20 at the time or in the amount required, the taxpayer shall be
21 liable for penalties and interest on such difference, except
22 insofar as the taxpayer has previously made payments for that
23 month in excess of the minimum payments previously due.

24 If any payment provided for in this Section exceeds the
25 taxpayer's liabilities under this Act, the Use Tax Act, the
26 Service Occupation Tax Act, and the Service Use Tax Act, as

1 shown on an original monthly return, the Department shall, if
2 requested by the taxpayer, issue to the taxpayer a credit
3 memorandum no later than 30 days after the date of payment. The
4 credit evidenced by such credit memorandum may be assigned by
5 the taxpayer to a similar taxpayer under this Act, the Use Tax
6 Act, the Service Occupation Tax Act, or the Service Use Tax
7 Act, in accordance with reasonable rules and regulations to be
8 prescribed by the Department. If no such request is made, the
9 taxpayer may credit such excess payment against tax liability
10 subsequently to be remitted to the Department under this Act,
11 the Use Tax Act, the Service Occupation Tax Act, or the Service
12 Use Tax Act, in accordance with reasonable rules and
13 regulations prescribed by the Department. If the Department
14 subsequently determined that all or any part of the credit
15 taken was not actually due to the taxpayer, the taxpayer's
16 vendor's discount shall be reduced, if necessary, to reflect
17 the difference between the credit taken and that actually due,
18 and that taxpayer shall be liable for penalties and interest
19 on such difference.

20 If a retailer of motor fuel is entitled to a credit under
21 Section 2d of this Act which exceeds the taxpayer's liability
22 to the Department under this Act for the month for which the
23 taxpayer is filing a return, the Department shall issue the
24 taxpayer a credit memorandum for the excess.

25 The net revenue realized at the 15% rate under either
26 Section 4 or Section 5 of this Act shall be deposited as

1 follows: (i) notwithstanding the provisions of this Section to
2 the contrary, the net revenue realized from the portion of the
3 rate in excess of 5% shall be deposited into the State and
4 Local Sales Tax Reform Fund; and (ii) the net revenue realized
5 from the 5% portion of the rate shall be deposited as provided
6 in this Section for the 5% portion of the 6.25% general rate
7 imposed under this Act.

8 Beginning January 1, 1990, each month the Department shall
9 pay into the Local Government Tax Fund, a special fund in the
10 State treasury which is hereby created, the net revenue
11 realized for the preceding month from the 1% tax imposed under
12 this Act.

13 Beginning January 1, 1990, each month the Department shall
14 pay into the County and Mass Transit District Fund, a special
15 fund in the State treasury which is hereby created, 4% of the
16 net revenue realized for the preceding month from the 6.25%
17 general rate other than aviation fuel sold on or after
18 December 1, 2019. This exception for aviation fuel only
19 applies for so long as the revenue use requirements of 49
20 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

1 Department shall pay 20% of the net revenue realized for that
2 month from the 1.25% rate on the selling price of sales tax
3 holiday items into the County and Mass Transit District Fund.

4 Beginning January 1, 1990, each month the Department shall
5 pay into the Local Government Tax Fund 16% of the net revenue
6 realized for the preceding month from the 6.25% general rate
7 on the selling price of tangible personal property other than
8 aviation fuel sold on or after December 1, 2019. This
9 exception for aviation fuel only applies for so long as the
10 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
11 47133 are binding on the State.

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

24 Beginning August 1, 2000, each month the Department shall
25 pay into the Local Government Tax Fund 80% of the net revenue
26 realized for the preceding month from the 1.25% rate on the

1 selling price of motor fuel and gasohol. If, in any month, the
2 tax on sales tax holiday items, as defined in Section 2-8, is
3 imposed at the rate of 1.25%, then the Department shall pay 80%
4 of the net revenue realized for that month from the 1.25% rate
5 on the selling price of sales tax holiday items into the Local
6 Government Tax Fund.

7 Beginning October 1, 2009, each month the Department shall
8 pay into the Capital Projects Fund an amount that is equal to
9 an amount estimated by the Department to represent 80% of the
10 net revenue realized for the preceding month from the sale of
11 candy, grooming and hygiene products, and soft drinks that had
12 been taxed at a rate of 1% prior to September 1, 2009 but that
13 are now taxed at 6.25%.

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

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 Use Tax
26 Act, and the Service Occupation Tax Act an amount equal to the

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

12 Beginning July 1, 2015, of the remainder of the moneys
13 received by the Department under the Use Tax Act, the Service
14 Use Tax Act, the Service Occupation Tax Act, and this Act, each
15 month the Department shall deposit \$500,000 into the State
16 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 this Act,
25 Section 9 of the Use Tax Act, Section 9 of the Service Use Tax
26 Act, and Section 9 of the Service Occupation Tax Act, such Acts

1 being hereinafter called the "Tax Acts" and such aggregate of
2 2.2% or 3.8%, as the case may be, of moneys being hereinafter
3 called the "Tax Act Amount", and (2) the amount transferred to
4 the Build Illinois Fund from the State and Local Sales Tax
5 Reform Fund shall be less than the Annual Specified Amount (as
6 hereinafter defined), an amount equal to the difference shall
7 be immediately paid into the Build Illinois Fund from other
8 moneys received by the Department pursuant to the Tax Acts;
9 the "Annual Specified Amount" means the amounts specified
10 below for fiscal years 1986 through 1993:

11	Fiscal Year	Annual Specified Amount
12	1986	\$54,800,000
13	1987	\$76,650,000
14	1988	\$80,480,000
15	1989	\$88,510,000
16	1990	\$115,330,000
17	1991	\$145,470,000
18	1992	\$182,730,000
19	1993	\$206,520,000;

20 and means the Certified Annual Debt Service Requirement (as
21 defined in Section 13 of the Build Illinois Bond Act) or the
22 Tax Act Amount, whichever is greater, for fiscal year 1994 and
23 each fiscal year thereafter; and further provided, that if on
24 the last business day of any month the sum of (1) the Tax Act
25 Amount required to be deposited into the Build Illinois Bond
26 Account in the Build Illinois Fund during such month and (2)

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

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

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

1 Retailers' Occupation Tax Act into the McCormick Place
2 Expansion Project Fund in the specified fiscal years.

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

1	2016	189,000,000
2	2017	199,000,000
3	2018	210,000,000
4	2019	221,000,000
5	2020	233,000,000
6	2021	300,000,000
7	2022	300,000,000
8	2023	300,000,000
9	2024	300,000,000
10	2025	300,000,000
11	2026	300,000,000
12	2027	375,000,000
13	2028	375,000,000
14	2029	375,000,000
15	2030	375,000,000
16	2031	375,000,000
17	2032	375,000,000
18	2033	375,000,000
19	2034	375,000,000
20	2035	375,000,000
21	2036	450,000,000

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

1 Metropolitan Pier and
2 Exposition Authority Act,
3 but not after fiscal year 2060.

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

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

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

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

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

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

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

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

1 Infrastructure Fund are subject to the pledge, claim and
 2 charge set forth in Section 25-55 of the Public-Private
 3 Partnership for Civic and Transit Infrastructure Project Act.
 4 As used in this paragraph, "civic build", "private entity",
 5 "public-private agreement", and "public agency" have the
 6 meanings provided in Section 25-10 of the Public-Private
 7 Partnership for Civic and Transit Infrastructure Project Act.

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

1 2042 \$432,200,000

2 2043 \$445,100,000

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

1 estimated to represent 48% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2024 and until July 1, 2026, 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 64% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning on July 1, 2026, subject to the payment of
12 amounts into the County and Mass Transit District Fund, the
13 Local Government Tax Fund, the Build Illinois Fund, the
14 McCormick Place Expansion Project Fund, the Illinois Tax
15 Increment Fund, and the Tax Compliance and Administration Fund
16 as provided in this Section, the Department shall pay each
17 month into the Road Fund the amount estimated to represent 80%
18 of the net revenue realized from the taxes imposed on motor
19 fuel and gasohol. As used in this paragraph "motor fuel" has
20 the meaning given to that term in Section 1.1 of the Motor Fuel
21 Tax Law, and "gasohol" has the meaning given to that term in
22 Section 3-40 of the Use Tax Act.

23 Until July 1, 2025, of the remainder of the moneys
24 received by the Department pursuant to this Act, 75% thereof
25 shall be paid into the State treasury and 25% shall be reserved
26 in a special account and used only for the transfer to the

1 Common School Fund as part of the monthly transfer from the
2 General Revenue Fund in accordance with Section 8a of the
3 State Finance Act. Beginning July 1, 2025, of the remainder of
4 the moneys received by the Department pursuant to this Act,
5 75% shall be deposited into the General Revenue Fund and 25%
6 shall be deposited into the Common School Fund.

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

1 helpful in determining the accuracy of the monthly, quarterly,
2 or annual returns filed by such retailer as provided for in
3 this Section.

4 If the annual information return required by this Section
5 is not filed when and as required, the taxpayer shall be liable
6 as follows:

7 (i) Until January 1, 1994, the taxpayer shall be
8 liable for a penalty equal to 1/6 of 1% of the tax due from
9 such taxpayer under this Act during the period to be
10 covered by the annual return for each month or fraction of
11 a month until such return is filed as required, the
12 penalty to be assessed and collected in the same manner as
13 any other penalty provided for in this Act.

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

17 The chief executive officer, proprietor, owner, or highest
18 ranking manager shall sign the annual return to certify the
19 accuracy of the information contained therein. Any person who
20 willfully signs the annual return containing false or
21 inaccurate information shall be guilty of perjury and punished
22 accordingly. The annual return form prescribed by the
23 Department shall include a warning that the person signing the
24 return may be liable for perjury.

25 The provisions of this Section concerning the filing of an
26 annual information return do not apply to a retailer who is not

1 required to file an income tax return with the United States
2 Government.

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

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

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

21 Any person who promotes, organizes, or provides retail
22 selling space for concessionaires or other types of sellers at
23 the Illinois State Fair, DuQuoin State Fair, county fairs,
24 local fairs, art shows, flea markets, and similar exhibitions
25 or events, including any transient merchant as defined by
26 Section 2 of the Transient Merchant Act of 1987, is required to

1 file a report with the Department providing the name of the
2 merchant's business, the name of the person or persons engaged
3 in merchant's business, the permanent address and Illinois
4 Retailers Occupation Tax Registration Number of the merchant,
5 the dates and location of the event, and other reasonable
6 information that the Department may require. The report must
7 be filed not later than the 20th day of the month next
8 following the month during which the event with retail sales
9 was held. Any person who fails to file a report required by
10 this Section commits a business offense and is subject to a
11 fine not to exceed \$250.

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

1 risk of loss of revenue to the State. The Department shall
2 notify concessionaires and other sellers affected by the
3 imposition of this requirement. In the absence of notification
4 by the Department, the concessionaires and other sellers shall
5 file their returns as otherwise required in this Section.

6 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
7 103-363, eff. 7-28-23; 103-592, Article 75, Section 75-20,
8 eff. 1-1-25; 103-592, Article 110, Section 110-20, eff.
9 6-7-24; 103-605, eff. 7-1-24; 103-1055, eff. 12-20-24; 104-6,
10 Article 5, Section 5-25, eff. 6-16-25; 104-6, Article 25,
11 Section 25-20, eff. 6-16-25; 104-6, Article 35, Section 35-35,
12 eff. 6-16-25; revised 7-21-25.)

13 Section 99. Effective date. This Act takes effect upon
14 becoming law.