



## 104TH GENERAL ASSEMBLY

### State of Illinois

2025 and 2026

SB1342

Introduced 1/28/2025, by Sen. Donald P. DeWitte

#### SYNOPSIS AS INTRODUCED:

230 ILCS 40/27  
230 ILCS 40/60

Amends the Video Gaming Act. Provides that a municipality with a population that is greater than or equal to 1,000,000 may not pass an ordinance prohibiting video gaming within the corporate limits of the municipality. Provides that, in such a municipality, video gaming may be prohibited only by referendum. Preempts home rule powers. Provides that a tax of 34% is imposed on net terminal income in such a municipality and shall be collected by the Illinois Gaming Board, of which 83% shall be distributed to the Regional Transportation Authority and 17% shall be distributed to the municipality in which the terminal is located. Makes conforming changes.

LRB104 05603 LNS 15633 b

1 AN ACT concerning gaming.

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

4 Section 5. The Video Gaming Act is amended by changing  
5 Sections 27 and 60 and by adding Section 63 as follows:

6 (230 ILCS 40/27)

7 Sec. 27. Prohibition of video gaming by political  
8 subdivision.

9 (a) A municipality, other than a municipality with a  
10 population that is greater than or equal to 1,000,000, may  
11 pass an ordinance prohibiting video gaming within the  
12 corporate limits of the municipality. A county board may, for  
13 the unincorporated area of the county, pass an ordinance  
14 prohibiting video gaming within the unincorporated area of the  
15 county.

16 (b) On and after July 1, 2022, a qualified fraternal  
17 organization that derives its charter from a national  
18 fraternal organization and a qualified veterans organization  
19 that derives its charter from a national veterans organization  
20 shall be eligible to apply to the Board for a license allowing  
21 video gaming as a licensed fraternal establishment or a  
22 licensed veterans establishment if the proposed fraternal  
23 establishment or veterans establishment is located in:

1 (1) a municipality having a population of not more  
2 than 1,000,000 that has enacted an ordinance prohibiting  
3 video gaming within the corporate limits; or

4 (2) a county having a population of not more than  
5 1,000,000 that has enacted an ordinance prohibiting video  
6 gaming within the unincorporated area of the county.

7 If the license is granted by the Board, then the licensed  
8 fraternal establishment or licensed veterans establishment may  
9 operate video gaming terminals pursuant to this Act.

10 (c) A municipality with a population that is greater than  
11 or equal to 1,000,000 may not pass an ordinance prohibiting  
12 video gaming within the corporate limits of the municipality.  
13 In such a municipality, video gaming may be prohibited only by  
14 referendum under Section 70. A home rule municipality with a  
15 population that is greater than or equal to 1,000,000 may not  
16 regulate video gaming within the corporate limits of the  
17 municipality in a manner that is inconsistent with this  
18 subsection (c). This subsection (c) is a limitation under  
19 subsection (i) of Section 6 of Article VII of the Illinois  
20 Constitution on the concurrent exercise by home rule units of  
21 powers and functions exercised by the State.

22 (Source: P.A. 102-689, eff. 12-17-21.)

23 (230 ILCS 40/60)

24 Sec. 60. Imposition and distribution of tax.

25 (a) Except in a municipality with a population that is

1 greater than or equal to 1,000,000, a ~~A~~ tax of 30% is imposed  
2 on net terminal income and shall be collected by the Board.

3 Of the tax collected under this subsection (a),  
4 five-sixths shall be deposited into the Capital Projects Fund  
5 and one-sixth shall be deposited into the Local Government  
6 Video Gaming Distributive Fund.

7 (b) Except in a municipality with a population that is  
8 greater than or equal to 1,000,000, Beginning on July 1, 2019,  
9 an additional tax of 3% is imposed on net terminal income and  
10 shall be collected by the Board.

11 Except in a municipality with a population that is greater  
12 than or equal to 1,000,000, Beginning on July 1, 2020, an  
13 additional tax of 1% is imposed on net terminal income and  
14 shall be collected by the Board.

15 Beginning on July 1, 2024, an additional tax of 1% is  
16 imposed on net terminal income and shall be collected by the  
17 Board.

18 The tax collected under this subsection (b) shall be  
19 deposited into the Capital Projects Fund.

20 (b-5) In a municipality with a population that is greater  
21 than or equal to 1,000,000, a tax of 34% is imposed on net  
22 terminal income and shall be collected by the Board. Of the tax  
23 collected under this subsection, 83% shall be distributed to  
24 the Regional Transportation Authority and 17% shall be  
25 distributed to the municipality in which the terminal is  
26 located.

1           (c) Revenues generated from the play of video gaming  
2 terminals shall be deposited by the terminal operator, who is  
3 responsible for tax payments, in a specially created, separate  
4 bank account maintained by the video gaming terminal operator  
5 to allow for electronic fund transfers of moneys for tax  
6 payment.

7           (d) Each licensed establishment, licensed truck stop  
8 establishment, licensed large truck stop establishment,  
9 licensed fraternal establishment, and licensed veterans  
10 establishment shall maintain an adequate video gaming fund,  
11 with the amount to be determined by the Board.

12           (e) The State's percentage of net terminal income shall be  
13 reported and remitted to the Board within 15 days after the  
14 15th day of each month and within 15 days after the end of each  
15 month by the video terminal operator. A video terminal  
16 operator who falsely reports or fails to report the amount due  
17 required by this Section is guilty of a Class 4 felony and is  
18 subject to termination of his or her license by the Board. Each  
19 video terminal operator shall keep a record of net terminal  
20 income in such form as the Board may require. All payments not  
21 remitted when due shall be paid together with a penalty  
22 assessment on the unpaid balance at a rate of 1.5% per month.

23           (Source: P.A. 103-592, eff. 6-7-24.)