

SB1730



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB1730

Introduced 2/5/2025, by Sen. Steve Stadelman

SYNOPSIS AS INTRODUCED:

New Act
20 ILCS 605/605-1118 new
30 ILCS 105/5.1030 new

Creates the Music Incubator Rebate Act. Provides that the Department of Commerce and Economic Opportunity shall administer a music incubator rebate program under which the Department of Commerce and Economic Opportunity shall provide to the operators of eligible music venues and to eligible music festival promoters a full or partial rebate of the retailers' occupation taxes paid by those operators or eligible music festival promoters on the sale of beer and wine on the premises of the eligible music venue or at the location of the qualified music festival as part of the qualified music festival. Provides that moneys shall be paid from the Music Incubator Fund. Contains provisions creating the Music Incubator Fund. Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois and the State Finance Act to make conforming changes. Effective immediately.

LRB104 05552 HLH 15582 b

A BILL FOR

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 1. Short title. This Act may be cited as the Music
5 Incubator Rebate Act.

6 Section 5. Definitions. As used in this Act:

7 "Applicant" means the operator of an eligible music venue
8 who applies for a rebate under this Act or an eligible music
9 festival promoter who applies for a rebate under this Act.

10 "Department" means the Department of Commerce and Economic
11 Opportunity.

12 "Eligible music festival promoter" means a music festival
13 promoter that has held, at least once during the 2-year period
14 immediately preceding the date of the application for a rebate
15 under this Act, a qualified music festival in a county in the
16 State with a population of less than 100,000.

17 "Eligible music venue" means a retail establishment that:

18 (1) has a dedicated audience capacity of not more than
19 3,000 persons;

20 (2) has live performance and audience space;

21 (3) has space for the storage of audio equipment or
22 musical instruments;

23 (4) provides technical sound and lighting support,

1 either in-house or through a contract with a vendor;

2 (5) hosts live music performances on the premises 5 or
3 more nights per week, on average, whereby the musical
4 artist receives as compensation a specified percentage of
5 ticket sales or other sales that occur incident to the
6 performance or a guaranteed amount in advance of the
7 performance;

8 (6) requires a cover charge to attend one or more of
9 the live music performances, either through ticketing or
10 through the imposition of a front door entrance fee; and

11 (7) maintains hours of operation that coincide with
12 live music performance show times.

13 "Qualified music festival" means an event that:

14 (1) occurs over one or more days at a single location;

15 (2) is marketed in a printed or electronic
16 publication;

17 (3) features performances by one or more musical
18 artists who enter into a written contract with a music
19 festival promoter under which the artist receives as
20 compensation a specified percentage of ticket sales or
21 other sales that occur incident to the performance or a
22 guaranteed amount in advance of the performance;

23 (4) requires a cover charge to attend one or more of
24 the performances, either through ticketing or through the
25 imposition of a front door entrance fee; and

26 (5) results in the employment or contracting of the

1 services of one or more people who are tasked with 2 or
2 more of the following positions or services:

- 3 (A) sound engineer;
- 4 (B) booker;
- 5 (C) promoter;
- 6 (D) stage manager; or
- 7 (E) security personnel.

8 "Retailers' occupation tax" means the tax imposed under
9 the Retailers' Occupation Tax Act and any retailers'
10 occupation tax imposed by a unit of local government.

11 Section 10. Program established.

12 (a) For State fiscal years beginning on or after January
13 1, 2025, the Department shall administer a music incubator
14 rebate program under which the Department shall provide to the
15 operators of eligible music venues and to eligible music
16 festival promoters, from moneys appropriated from the Music
17 Incubator Fund, a full or partial rebate of the retailers'
18 occupation taxes paid by those operators and eligible music
19 festival promoters on the sale of beer and wine on the premises
20 of the eligible music venue or at the location of the qualified
21 music festival as part of the qualified music festival. The
22 rebates are to assist eligible music venues and eligible music
23 festival promoters in their efforts to support and continue to
24 bring to local communities in this State live musical
25 performances, including the recruitment of musical performance

1 artists.

2 (b) The Department may not provide a rebate under this
3 Section in any State fiscal year to an eligible music venue or
4 an eligible music festival promoter in an amount that exceeds
5 the lesser of:

6 (1) the amount of retailers' occupation taxes paid by
7 the music venue or music festival promoter in the
8 preceding 12-month period; or

9 (2) \$100,000.

10 Section 15. Rebate application. Applicants shall apply to
11 the Department for a rebate under this Act using an online
12 portal on the Department's public Internet website that allows
13 a music venue or music festival promoter to submit the
14 application to the Department for consideration.

15 The application must:

16 (1) state the amount of eligible retailers' occupation
17 tax receipts for which the applicant is seeking a rebate;

18 (2) include sufficient evidence for the Department to
19 determine that the music venue or promoter qualifies for a
20 rebate; and

21 (3) include any other information the Department
22 determines necessary to administer the program under this
23 Act.

24 After reviewing applications for a rebate under this Act,
25 the Department shall grant rebates to eligible music venues

1 and music festival promoters that the Department determines
2 provide or have committed to provide the most economic benefit
3 to the communities in which the music venues are located or the
4 festivals are held, as applicable, and to the Illinois music
5 industry, including live music performers.

6 Section 20. Music Incubator Fund. The Music Incubator Fund
7 is hereby created as a special fund in the State treasury. The
8 Fund may receive gifts, grants, and moneys transferred or
9 deposited from any lawful source. Moneys in the Fund shall be
10 used by the Department to award rebates under this Act.

11 Section 25. Rules. The Department shall adopt rules for
12 the implementation of this Act.

13 Section 900. The Department of Commerce and Economic
14 Opportunity Law of the Civil Administrative Code of Illinois
15 is amended by adding Section 605-1118 as follows:

16 (20 ILCS 605/605-1118 new)

17 Sec. 605-1118. Music Incubator Rebate Act. The Department
18 shall award rebates as provided in the Music Incubator Rebate
19 Act.

20 Section 905. The State Finance Act is amended by adding
21 Section 5.1030 as follows:

1 (30 ILCS 105/5.1030 new)

2 Sec. 5.1030. The Music Incubator Fund.

3 Section 999. Effective date. This Act takes effect upon
4 becoming law.