



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB4200

Introduced 5/7/2026, by Sen. Donald P. DeWitte

SYNOPSIS AS INTRODUCED:

See Index

Specifies that the amendatory Act may be referred to as the Reducing Expenses and Advancing Local (REAL) Housing Act. Amends the Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois. Creates the Middle Housing Incentive Program. Amends the Department of Labor Law of the Civil Administrative Code of Illinois. Authorizes the Department to establish workforce development initiatives. Amends the Department of Revenue Law of the Civil Administrative Code of Illinois. Extends the Veteran Property Tax Relief Reimbursement Pilot Program to July 1, 2030 (rather than July 1, 2028). Describes administrative responsibilities of the Department. Amends the State Finance Act. Creates the Veterans Property Tax Relief Reimbursement Pilot Program Fund and the Middle Housing Incentive Program Fund as special funds in the State treasury. Amends the Illinois Municipal Code and the Counties Code. Provides that a county or municipality may opt in, by resolution, to participate in the receipt of Local Government Distributive Fund revenues exceeding 8% of State income tax collections. Authorizes by-right overlay districts for middle housing and other housing-related innovations. Amends the Tax Increment Allocation Redevelopment Act. Makes changes to the definition of "redevelopment costs." Amends the Use Tax Act, the Services Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Changes the rate of tax on qualified residential development building materials to 1.25% (rather than 6.25%). Amends the Property Tax Code. Makes changes concerning the distribution of moneys collected from the Real Estate Transfer Tax. Amends the Prevailing Wage Act. Modifies the definition of "public works". Amends the Illinois Housing Development Act. Establishes grant-making and reporting requirements for the Illinois Housing Development Authority. Amends the Real Estate License Act of 2000. Limits commissions charged in residential real estate transactions. Amends the Security Deposit Return Act, the Security Deposit Interest Act, and the Landlord and Tenant Act. Makes changes regarding screening reports of prospective tenants and upfront rental costs of residential units. Makes conforming changes in the Condominium Property Act and the Common Interest Community Association Act regarding middle housing. Makes other changes. Effective January 1, 2028.

LRB104 21786 TRT 37479 b

A BILL FOR

1 AN ACT concerning housing.

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

4 Section 1. References to Act. This Act may be referred to
5 as the Reducing Expenses and Advancing Local (REAL) Housing
6 Act.

7 Section 5. Legislative findings; purpose; construction of
8 Act.

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

10 (1) local governments across the State are
11 implementing tailored housing solutions that reflect the
12 needs of their communities; and

13 (2) the City of Chicago, for example, has authorized
14 accessory dwelling units and other forms of middle housing
15 through locally driven processes, which demonstrates that
16 housing innovation can occur at the municipal and even
17 neighborhood level, allowing policies to reflect
18 infrastructure capacity, community character, and public
19 safety considerations.

20 (b) It is, therefore, the purpose of this Act to:

21 (1) support and expand these locally initiated
22 solutions by responding directly to the rising cost of
23 housing, which is one of the most significant financial

1 pressures facing Illinois families today and is driven in
2 large part by high property taxes;

3 (2) deliver real relief by lowering what people pay to
4 live in their homes and putting money back in their
5 pockets every single month;

6 (3) commit to taxpayers that, when the State increases
7 funding for the Local Government Distributive Fund, those
8 dollars must result in property tax relief;

9 (4) tie future Local Government Distributive Fund
10 increases to direct reductions in local property tax
11 levies, thereby ensuring that additional State revenue is
12 returned to the people that provided it rather than being
13 absorbed into higher State spending;

14 (5) create a transparent, accountable system where
15 taxpayers can see and feel the benefit of these changes;

16 (6) address the policies that inflate housing costs by
17 reducing overall housing expenses by at least 10%;

18 (7) provide Illinois families with real, tangible
19 savings rather than a one-size-fits-all mandate that
20 shifts costs onto local communities;

21 (8) respect local decision-making and autonomy while
22 demanding that State policy finally deliver affordability
23 for the residents and taxpayers who are paying the bills;
24 and

25 (9) lower property taxes, lower housing costs,
26 increase skilled labor wages, and provide real financial

1 relief for Illinois families without sacrificing local
2 control.

3 (c) Nothing in this Act shall be construed to:

4 (1) require a unit of local government to approve a
5 development or to limit the ability of a unit of local
6 government to deny a development application consistent
7 with applicable law;

8 (2) require a unit of local government to adopt or
9 amend a comprehensive plan, zoning ordinance, or land use
10 regulation;

11 (3) preempt or override local zoning, permitting, or
12 development decisions;

13 (4) limit the power of a unit of local government to
14 regulate land use, development, public safety, or
15 infrastructure consistent with applicable law; or

16 (5) prohibit a unit of local government from adopting
17 additional criteria, conditions, or certification
18 requirements for projects within its jurisdiction.

19 Section 10. The Department of Commerce and Economic
20 Opportunity Law of the Civil Administrative Code of Illinois
21 is amended by adding Sections 605-1119, 605-1120, 605-1121,
22 and 605-1122 as follows:

23 (20 ILCS 605/605-1119 new)

24 Sec. 605-1119. Project labor agreements for residential

1 developments.

2 (a) The Department shall adopt rules to determine a
3 category of residential developments that, based on project
4 size, total development cost, and number of residential units
5 are of a scale for which the benefits of a project labor
6 agreement exceed the administrative burden associated with
7 compliance. A residential development that receives benefits
8 under this Section and is classified within the category shall
9 be required to enter into a project labor agreement in
10 accordance with the Project Labor Agreements Act.

11 (b) Nothing in this Section shall be construed to require
12 a unit of local government to mandate that a project sponsor
13 enter into a project labor agreement independent of this Act
14 or limit the authority of a unit of local government with
15 respect to project approval or labor considerations.

16 (20 ILCS 605/605-1120 new)

17 Sec. 605-1120. Middle Housing Incentive Program.

18 (a) As used in this Section:

19 "Accessory dwelling unit" means a residential living unit
20 that is located on a lot containing a single-family dwelling,
21 that provides independent living facilities for one or more
22 persons, including provisions for sleeping, eating, cooking,
23 and sanitation, on the same parcel of land as the principal
24 dwelling unit it accompanies, and that is either separated
25 from or attached to the primary dwelling unit.

1 "Area median income" means the median family income for
2 the area, as determined by the United States Department of
3 Housing and Urban Development, with adjustments for family
4 size.

5 "By-right overlay district for middle housing" means a
6 zoning district superimposed on one or more other zoning
7 districts within a municipality's or county's zoning
8 jurisdiction in which middle housing development projects that
9 meet preset criteria established by the municipality or
10 county, as applicable, may proceed without further
11 discretionary review or public hearings.

12 "Fund" means the Middle Housing Incentive Fund.

13 "Middle housing" means small-scale, multiunit residential
14 housing types that are compatible with single-family
15 neighborhoods and accessible to households earning between 80%
16 and 140% of the area median income. "Middle housing" includes
17 duplexes, triplexes, fourplexes, and accessory dwelling units.

18 "Person" means any natural individual, firm, trust,
19 estate, partnership, association, joint-stock company, joint
20 venture, corporation, limited liability company, or a
21 receiver, trustee, guardian, or other representative appointed
22 by order of any court, the federal and State governments,
23 including State universities created by statute or any unit of
24 local government or other political subdivision of this State.

25 "Program" means the Middle Housing Incentive Program
26 created under this Section.

1 "State agency" has the meaning given in Section 405-5 of
2 the Department of Central Management Services Law of the Civil
3 Administrative Code of Illinois.

4 (b) The Middle Housing Incentive Program is hereby
5 established as a program to be implemented and administered by
6 the Department. Other State agencies shall coordinate with the
7 Department to ensure consistent and efficient administration
8 of the Program within their respective jurisdictions. The
9 purpose of the Program is to support voluntary local
10 participation in expanding housing supply throughout the
11 State. The Program shall be supported by the Middle Housing
12 Incentive Fund.

13 (c) A county or municipality may opt in to the Program by
14 notice to the Department so long as it has adopted ordinances
15 or resolutions:

16 (1) to allow duplexes, triplexes, fourplexes, and
17 accessory dwelling units in designated areas within its
18 jurisdiction; and

19 (2) to provide for locally tailored zoning updates to
20 support middle housing within its jurisdiction.

21 (d) Participating counties and municipalities shall be
22 eligible for (i) targeted housing and infrastructure grants
23 pursuant to subsection (d) of this Section and (ii) technical
24 assistance for local comprehensive plans, zoning
25 modernization, and housing planning. In addition, the
26 Department and other State agencies shall, to the extent

1 consistent with other applicable law, give priority to
2 participating counties and municipalities in the award of
3 State capital grants and other funding awards, including for
4 transportation, water, sewer, and infrastructure programs.

5 (e) Subject to appropriation, as part of the Program, the
6 Department shall establish an initiative to provide grants or
7 matching grants to participating counties and municipalities
8 for the purpose of supporting the development of middle
9 housing and required infrastructure. Grants awarded under this
10 Section may be with or without a local match of funds. The
11 Department shall prioritize counties and municipalities that
12 have established by-right overlay districts for middle housing
13 in the allocation of grants or other amounts from the Fund. In
14 addition, the Department and other State agencies shall, to
15 the extent consistent with other applicable law, expedite
16 their respective reviews of infrastructure projects of a
17 county or municipality that has established a by-right overlay
18 districts for middle housing, give priority to units of local
19 government in the award of State infrastructure funding that
20 demonstrates measurable increases in housing production, and
21 maintain compliance with local planning and safety standards.

22 (f) Each county or municipality participating in the
23 Program shall provide to the Department an annual report that
24 includes:

25 (1) units permitted and constructed;

26 (2) participation in incentive programs; and

1 (3) infrastructure investments tied to housing growth.

2 Participation in the Program shall not be used as a
3 condition for unrelated funding from the State to any unit of
4 local government.

5 (g) The Department shall adopt rules to implement and
6 administer the provisions of this Section.

7 (20 ILCS 605/605-1121 new)

8 Sec. 605-1121. Administration of qualified residential
9 development building material tax exemption.

10 (a) As used in this Section:

11 "Accessory dwelling unit" means a residential living unit
12 that is located on a lot containing a single-family dwelling,
13 that provides independent living facilities for one or more
14 persons, including provisions for sleeping, eating, cooking,
15 and sanitation, on the same parcel of land as the principal
16 dwelling unit it accompanies, and that is either separated
17 from or attached to the primary dwelling unit.

18 "Area median income" means the median family income for
19 the area, as determined by the United States Department of
20 Housing and Urban Development, with adjustments for family
21 size.

22 "Middle housing" means small-scale, multiunit residential
23 housing types that are compatible with single-family
24 neighborhoods and accessible to households earning between 80%
25 and 140% of the area median income. "Middle housing" includes

1 duplexes, triplexes, fourplexes, and accessory dwelling units.

2 "Person" means any natural individual, firm, trust,
3 estate, partnership, association, joint-stock company, joint
4 venture, corporation, limited liability company, or a
5 receiver, trustee, guardian, or other representative appointed
6 by order of any court, the federal and State governments,
7 including State universities created by statute or any unit of
8 local government or other political subdivision of this State.

9 "Program" means the Middle Housing Incentive Program
10 created under Section 605-1120 of the Department of Commerce
11 and Economic Opportunity Law of the Civil Administrative Code
12 of Illinois.

13 "Qualified residential development" means a residential
14 project that meets eligibility requirements established by the
15 Department under this Section.

16 "State agency" has the meaning given in Section 405-5 of
17 the Department of Central Management Services Law of the Civil
18 Administrative Code of Illinois.

19 "Taxpayer" means any person that is subject to the tax
20 imposed under the Illinois Income Tax Act.

21 (b) The Department may certify a taxpayer with a qualified
22 residential development for an exemption from the State
23 portion of the use tax or retailers' occupation tax on
24 building materials for the construction of the qualified
25 residential development. This exemption applies solely to the
26 State portion of the use tax or retailers' occupation tax and

1 shall not affect any locally imposed taxes. The taxpayer must
2 meet any criteria for certification set by the Department
3 under this Act.

4 (c) The exemption provided in subsection (b) of this
5 Section shall apply only to building and housing materials,
6 including, but not limited to, structural components,
7 heating-ventilation-air conditioning (HVAC) systems, and
8 permanently installed fixtures that are:

9 (1) incorporated into the structure of a residential
10 unit; and

11 (2) used in the construction or substantial
12 rehabilitation of single-family homes, duplexes,
13 triplexes, fourplexes and other middle housing, or
14 accessory dwelling units.

15 (d) The exemption provided in subsection (b) of this
16 Section shall apply only to projects that meet one or more of
17 the following criteria:

18 (1) The project is located within the jurisdiction of
19 a county or municipality that is participating in the
20 Program.

21 (2) The project includes housing units whose prices
22 are affordable to households at or below 120% of the area
23 median income, based on an affordability measure
24 established by the Department.

25 (3) The project consists primarily of middle housing.

26 (e) If building materials purchased under this Section are

1 not used in a qualifying residential development, the
2 purchaser shall be liable for the full amount of tax due,
3 penalties and interest shall apply, and the Illinois
4 Department of Revenue may revoke eligibility for the exemption
5 and pursue enforcement action.

6 (f) The Department may adopt rules to carry out the
7 provisions of this Section. Eligibility for the building
8 materials exemption shall be determined by the Department, in
9 coordination with the applicable municipality or county. Upon
10 approval, the Department shall issue a Building Materials
11 Exemption Certificate for each qualifying residential
12 development. Certificates shall be issued on a project
13 specific basis and may include expiration dates, usage
14 limitations, and reporting requirements.

15 (g) The Illinois Department of Revenue shall administer
16 and enforce the tax provisions of this Section, including
17 establishing procedures for retailers to accept exemption
18 certificates at the point of sale; providing guidance
19 regarding documentation and recordkeeping requirements;
20 conducting audits and compliance reviews; and recapturing any
21 improperly exempted taxes, including penalties and interest
22 where applicable. The Illinois Department of Revenue may adopt
23 rules to carry out the provisions of this subsection and
24 subsection (e) of this Section.

1 Sec. 605-1122. Comprehensive planning and zoning
2 assistance.

3 (a) Subject to appropriation, the Department shall
4 establish a program to provide grants or matching grants to
5 units of local government for the purpose of developing,
6 updating, or implementing comprehensive plans, zoning
7 ordinances, or land use regulations consistent with the goals
8 of this Act.

9 (b) Grants awarded under this Section may be provided in
10 an amount not to exceed \$25,000 per municipality or county,
11 with or without a local match of funds.

12 (c) Funds granted under this Section may be used for
13 comprehensive plan development or revision updates; zoning
14 ordinance modernization; housing needs assessments;
15 infrastructure planning related to residential growth; and
16 technical planning assistance.

17 (d) The Department shall adopt rules to carry out the
18 provisions of this Section.

19 Section 15. The Department of Labor Law of the Civil
20 Administrative Code of Illinois is amended by adding Section
21 1505-230 as follows:

22 (20 ILCS 1505/1505-230 new)

23 Sec. 1505-230. Workforce development and housing
24 construction pipeline. The Department may establish or support

1 workforce development initiatives to expand the skilled labor
2 pool for residential construction, including:

3 (1) partnerships with community colleges, trade
4 schools and pre-approved apprenticeship programs
5 registered with the Office of Apprenticeship within the
6 United States Department of Labor's Employment and
7 Training Administration;

8 (2) training programs for construction trades and
9 building inspections; and

10 (3) incentives for participation in workforce housing
11 projects.

12 Section 20. The Department of Revenue Law of the Civil
13 Administrative Code of Illinois is amended by changing Section
14 2505-810 and by adding Section 2505-817 as follows:

15 (20 ILCS 2505/2505-810)

16 Sec. 2505-810. Veterans Property Tax Relief Reimbursement
17 Pilot Program.

18 (a) Subject to appropriation, for State fiscal years that
19 begin on or after July 1, 2023 and before July 1, 2030 ~~2028~~,
20 the Department shall establish and administer a Veterans
21 Property Tax Relief Reimbursement Pilot Program. For purposes
22 of the Program, the Department shall reimburse eligible taxing
23 districts, in an amount calculated under subsection (c), for
24 revenue loss associated with providing homestead exemptions to

1 veterans with disabilities. A taxing district is eligible for
2 reimbursement under this Section if (i) application of the
3 homestead exemptions for veterans with disabilities under
4 Sections 15-165 and 15-169 of the Property Tax Code results in
5 a cumulative reduction of more than 2.5% in the total
6 equalized assessed value of all taxable property in the taxing
7 district, when compared with the total equalized assessed
8 value of all taxable property in the taxing district prior to
9 the application of those exemptions, for the taxable year that
10 is 2 years before the start of the State fiscal year in which
11 the application for reimbursement is made and (ii) the taxing
12 district is located in whole or in part in a county that
13 contains a United States military base. Reimbursement payments
14 shall be made to the county that applies to the Department of
15 Revenue on behalf of the taxing district under subsection (b)
16 and shall be distributed by the county to the taxing district
17 as directed by the Department of Revenue.

18 (b) If the county clerk determines that one or more taxing
19 districts located in whole or in part in the county qualify for
20 reimbursement under this Section, then the county clerk shall
21 apply to the Department of Revenue on behalf of the taxing
22 district for reimbursement under this Section in the form and
23 manner required by the Department. The county clerk shall
24 consolidate applications submitted on behalf of more than one
25 taxing district into a single application. The Department of
26 Revenue may audit the information submitted by the county

1 clerk as part of the application under this Section for the
2 purpose of verifying the accuracy of that information.

3 (c) Subject to the maximum aggregate reimbursement amount
4 set forth in this subsection, the amount of the reimbursement
5 shall be as follows:

6 (1) for reimbursements awarded for the fiscal year
7 that begins on July 1, 2023, 50% of the product generated
8 by multiplying 90% of the total dollar amount of
9 exemptions granted for taxable year 2021 under Section
10 15-165 or Section 15-169 of the Property Tax Code to
11 property located in the taxing district by the taxing
12 district's property tax rate for taxable year 2021; and

13 (2) for reimbursements awarded for fiscal years that
14 begin on or after July 1, 2024 and begin before July 1,
15 2030 ~~2028~~, 100% of the product generated by multiplying
16 90% of the total dollar amount of exemptions granted for
17 the base year under Section 15-165 or Section 15-169 of
18 the Property Tax Code to property located in the taxing
19 district by the taxing district's property tax rate for
20 the base year.

21 The aggregate amount of reimbursements that may be awarded
22 under this Section for all taxing districts in any calendar
23 year may not exceed the lesser of \$30,000,000 or the amount
24 appropriated for the program for that calendar year. If the
25 total amount of eligible reimbursements under this Section
26 exceeds the lesser of \$30,000,000 or the amount appropriated

1 for the program for that calendar year, then the reimbursement
2 amount awarded to each particular taxing district shall be
3 reduced on a pro rata basis until the aggregate amount of
4 reimbursements awarded under this Section for the calendar
5 year does not exceed the lesser of \$30,000,000 or the amount
6 appropriated for the program for the calendar year.

7 (d) The Department of Revenue may adopt rules necessary
8 for the implementation of this Section.

9 (e) As used in this Section:

10 "Base year" means the taxable year that is 2 years before
11 the start of the State fiscal year in which the application for
12 reimbursement is made.

13 "Taxable year" means the calendar year during which
14 property taxes payable in the next succeeding year are levied.

15 "Taxing district" has the meaning given to that term in
16 Section 1-150 of the Property Tax Code.

17 (Source: P.A. 103-8, eff. 6-7-23; 103-588, eff. 6-5-24.)

18 (20 ILCS 2505/2505-817 new)

19 Sec. 2505-817. Administration of qualified residential
20 development building material tax exemption. The Department
21 shall:

22 (1) audit transactions involving building materials
23 exemption certificates issued pursuant to Section 50 of
24 the Retailers' Occupation Tax Act as provided in that
25 Section or as incorporated into the Use Tax Act, the

1 Service Use Tax Act, or the Service Occupation Tax Act;

2 (2) assess and collect any taxes, penalties, and
3 interest due as a result of improper use of such
4 exemptions; and

5 (3) adopt rules necessary to implement and enforce
6 such provisions.

7 Section 25. The Illinois Housing Development Act is
8 amended by adding Sections 7.24i and 8.2 as follows:

9 (20 ILCS 3805/7.24i new)

10 Sec. 7.24i. Blight elimination and housing redevelopment.

11 (a) The Authority, in coordination with the Department of
12 Commerce and Economic Opportunity, may provide grants or
13 low-interest financing to units of local government for:

14 (1) demolition of abandoned or unsafe structures;

15 (2) environmental remediation where necessary; and

16 (3) site preparation for residential redevelopment.

17 (b) The Authority shall, to the extent consistent with
18 other applicable law, give priority to projects undertaken
19 pursuant to Section 605-1120 under the Department of Commerce
20 and Economic Opportunity Law of the Civil Administrative Code
21 of Illinois in the award of funding for housing,
22 infrastructure, and economic development programs under this
23 Section.

24 (c) The Authority, in coordination with the Department of

1 Commerce and Economic Opportunity, may adopt rules to carry
2 out the provisions of this Section.

3 (20 ILCS 3805/8.2 new)

4 Sec. 8.2. Housing cost stability and insurance review. The
5 Authority, in coordination with the Department of Insurance,
6 shall evaluate and report to the General Assembly on barriers
7 to housing affordability related to property insurance
8 availability and cost; including:

9 (1) rising premiums for renters, property owners,
10 homeowners and landlords;

11 (2) impacts on housing development and rental pricing;
12 and

13 (3) opportunities to improve market stability and
14 affordability.

15 Section 30. The State Finance Act is amended by adding
16 Sections 5.1038, 5.1039, 6z-149, and 6z-150 as follows:

17 (30 ILCS 105/5.1038 new)

18 Sec. 5.1038. The Veterans Property Tax Relief
19 Reimbursement Pilot Program Fund.

20 (30 ILCS 105/5.1039 new)

21 Sec. 5.1039. The Middle Housing Incentive Fund.

1 (30 ILCS 105/6z-149 new)

2 Sec. 6z-149. Middle Housing Incentive Fund.

3 (a) The Middle Housing Incentive Fund is created as a
4 special fund in the State treasury. The Fund may receive
5 revenue from any authorized source, including, but not limited
6 to, transfers and appropriations from other funds in the State
7 treasury. Any interest earned on moneys in the Fund shall be
8 retained in the Fund.

9 (b) Subject to appropriation, moneys in the Fund shall be
10 used for carrying out the Middle Income Housing Program
11 established under Section 605-1120 of the Department of
12 Commerce and Economic Opportunity Law of the Civil
13 Administrative Code of Illinois.

14 (30 ILCS 105/6z-150 new)

15 Sec. 6z-150. The Veterans Property Tax Relief
16 Reimbursement Pilot Program Fund.

17 (a) The Veterans Property Tax Relief Reimbursement Pilot
18 Program Fund is created as a special fund in the State
19 treasury. The first \$30,000,000 of each fiscal year from the
20 proceeds of the Real Estate Transfer Tax imposed under Article
21 31 of the Property Tax Code shall be transferred into the Fund
22 for the purpose of funding the Veterans Property Tax Relief
23 Reimbursement Pilot Program under Section 2505-810 of the
24 Department of Revenue Law of the Civil Administrative Code of
25 Illinois.

1 (b) Moneys transferred under this Section shall be used to
2 (i) reimburse units of local governments for revenue losses
3 associated with State-authorized veterans property tax
4 exemptions and to (ii) support full or partial payments in
5 accordance with the statutory formula governing the Veterans
6 Property Tax Relief Reimbursement Pilot Program.

7 Section 35. The State Revenue Sharing Act is amended by
8 changing Section 2 as follows:

9 (30 ILCS 115/2) (from Ch. 85, par. 612)

10 Sec. 2. Allocation and disbursement.

11 (a) As soon as may be after the first day of each month,
12 the Department of Revenue shall allocate among the several
13 municipalities and counties of this State the amount available
14 in the Local Government Distributive Fund and in the Income
15 Tax Surcharge Local Government Distributive Fund, determined
16 as provided in Sections 1 and 1a above. Except as provided in
17 Sections 13 and 13.1 of this Act, the Department shall then
18 certify such allocations to the State Comptroller, who shall
19 pay over to the several municipalities and counties the
20 respective amounts allocated to them. The amount of such Funds
21 allocable to each such municipality and county shall be in
22 proportion to the number of individual residents of such
23 municipality or county to the total population of the State,
24 determined in each case on the basis of the latest census of

1 the State, municipality or county conducted by the Federal
2 government and certified by the Secretary of State and for
3 annexations to municipalities, the latest Federal, State or
4 municipal census of the annexed area which has been certified
5 by the Department of Revenue. Allocations to the City of
6 Chicago under this Section are subject to Section 6 of the
7 Hotel Operators' Occupation Tax Act. For the purpose of this
8 Section, the number of individual residents of a county shall
9 be reduced by the number of individuals residing therein in
10 municipalities, but the number of individual residents of the
11 State, county and municipality shall reflect the latest census
12 of any of them.

13 Notwithstanding any provision of law to the contrary, in
14 any fiscal year in which the amount of moneys allocated to the
15 Local Government Distributive Fund exceeds 8% of the net
16 revenue realized from the taxes imposed under the Illinois
17 Income Tax Act, a municipality or county may elect to receive
18 distributions of such excess amounts. The use of distributions
19 by municipalities and counties shall be subject to Section
20 8-11-25 of the Illinois Municipal Code and Section 5-2008 of
21 the Counties Code. If a county or municipality does not opt in
22 to receive excess distributions from the Local Government
23 Distributive Fund, the State Comptroller shall direct and the
24 State Treasurer shall transfer the excess moneys allocated to
25 the Local Government Distributive Fund to the General Revenue
26 Fund.

1 (b) It is the intent of the General Assembly that
2 allocations made under this Section shall be made in a fair and
3 equitable manner. Accordingly, the clerk of any municipality
4 to which territory has been annexed, or from which territory
5 has been disconnected, shall notify the Department of Revenue
6 in writing of that annexation or disconnection and shall (1)
7 state the number of residents within the territory that was
8 annexed or disconnected, based on the last census conducted by
9 the federal, State, or municipal government and certified by
10 the Illinois Secretary of State, and (2) furnish therewith a
11 certified copy of the plat of annexation or, in the case of
12 disconnection, the ordinance, final judgment, or resolution of
13 disconnection together with an accurate depiction of the
14 territory disconnected. The county in which the annexed or
15 disconnected territory is located shall verify that the number
16 of residents stated on the written notice that is to be sent to
17 the Department of Revenue is true and accurate. The verified
18 statement of the county shall accompany the written notice.
19 However, if the county does not respond to the municipality's
20 request for verification within 30 days, this verification
21 requirement shall be waived. The written notice shall be
22 provided to the Department of Revenue (1) within 30 days after
23 the effective date of this amendatory Act of the 96th General
24 Assembly for disconnections occurring after January 1, 2007
25 and before the effective date of this amendatory Act of the
26 96th General Assembly or (2) within 30 days after the

1 annexation or disconnection for annexations or disconnections
2 occurring on or after the effective date of this amendatory
3 Act of the 96th General Assembly. For purposes of this
4 Section, a disconnection or annexation through court order is
5 deemed to be effective 30 days after the entry of a final
6 judgment order, unless stayed pending appeal. Thereafter, the
7 monthly allocation made to the municipality and to any other
8 municipality or county affected by the annexation or
9 disconnection shall be adjusted in accordance with this
10 Section to reflect the change in residency of the residents of
11 the territory that was annexed or disconnected. The adjustment
12 shall be made no later than 30 days after the Department of
13 Revenue's receipt of the written notice of annexation or
14 disconnection described in this Section.

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

16 Section 40. The Use Tax Act is amended by changing
17 Sections 3-10, 9, and 12 as follows:

18 (35 ILCS 105/3-10) from Ch. 120, par. 439.33-10

19 Sec. 3-10. Rate of tax. Unless otherwise provided in this
20 Section, the tax imposed by this Act is at the rate of 6.25% of
21 either the selling price or the fair market value, if any, of
22 the tangible personal property, which, on and after January 1,
23 2025, includes leases of tangible personal property. In all
24 cases where property functionally used or consumed is the same

1 as the property that was purchased at retail, then the tax is
2 imposed on the selling price of the property. In all cases
3 where property functionally used or consumed is a by-product
4 or waste product that has been refined, manufactured, or
5 produced from property purchased at retail, then the tax is
6 imposed on the lower of the fair market value, if any, of the
7 specific property so used in this State or on the selling price
8 of the property purchased at retail. For purposes of this
9 Section "fair market value" means the price at which property
10 would change hands between a willing buyer and a willing
11 seller, neither being under any compulsion to buy or sell and
12 both having reasonable knowledge of the relevant facts. The
13 fair market value shall be established by Illinois sales by
14 the taxpayer of the same property as that functionally used or
15 consumed, or if there are no such sales by the taxpayer, then
16 comparable sales or purchases of property of like kind and
17 character in Illinois.

18 Beginning July 1, 2028, with respect to building materials
19 used in a qualified residential development, as defined in
20 Section 605-1121 of the Department of Commerce and Economic
21 Opportunity Law of the Civil Administrative Code of Illinois,
22 the tax is imposed at the rate of 1.25%.

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

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

5 With respect to gasohol, the tax imposed by this Act
6 applies to (i) 70% of the proceeds of sales made on or after
7 January 1, 1990, and before July 1, 2003, (ii) 80% of the
8 proceeds of sales made on or after July 1, 2003 and on or
9 before July 1, 2017, (iii) 100% of the proceeds of sales made
10 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
11 the proceeds of sales made on or after January 1, 2024 and on
12 or before December 31, 2028, and (v) 100% of the proceeds of
13 sales made after December 31, 2028. If, at any time, however,
14 the tax under this Act on sales of gasohol is imposed at the
15 rate of 1.25%, then the tax imposed by this Act applies to 100%
16 of the proceeds of sales of gasohol made during that time.

17 With respect to mid-range ethanol blends, the tax imposed
18 by this Act applies to (i) 80% of the proceeds of sales made on
19 or after January 1, 2024 and on or before December 31, 2028 and
20 (ii) 100% of the proceeds of sales made thereafter. If, at any
21 time, however, the tax under this Act on sales of mid-range
22 ethanol blends 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 mid-range ethanol blends made during that time.

25 With respect to majority blended ethanol fuel, the tax
26 imposed by this Act does not apply to the proceeds of sales

1 made on or after July 1, 2003 and on or before December 31,
2 2028 but applies to 100% of the proceeds of sales made
3 thereafter.

4 With respect to biodiesel blends with no less than 1% and
5 no more than 10% biodiesel, the tax imposed by this Act applies
6 to (i) 80% of the proceeds of sales made on or after July 1,
7 2003 and on or before December 31, 2018 and (ii) 100% of the
8 proceeds of sales made after December 31, 2018 and before
9 January 1, 2024. On and after January 1, 2024 and on or before
10 December 31, 2030, the taxation of biodiesel, renewable
11 diesel, and biodiesel blends shall be as provided in Section
12 3-5.1. If, at any time, however, the tax under this Act on
13 sales of biodiesel blends with no less than 1% and no more than
14 10% biodiesel is imposed at the rate of 1.25%, then the tax
15 imposed by this Act applies to 100% of the proceeds of sales of
16 biodiesel blends with no less than 1% and no more than 10%
17 biodiesel made during that time.

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

25 Until July 1, 2022 and from July 1, 2023 through December
26 31, 2025, with respect to food for human consumption that is to

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

17 With respect to prescription and nonprescription
18 medicines, drugs, medical appliances, products classified as
19 Class III medical devices by the United States Food and Drug
20 Administration that are used for cancer treatment pursuant to
21 a prescription, as well as any accessories and components
22 related to those devices, modifications to a motor vehicle for
23 the purpose of rendering it usable by a person with a
24 disability, and insulin, blood sugar testing materials,
25 syringes, and needles used by human diabetics, the tax is
26 imposed at the rate of 1%. For the purposes of this Section,

1 until September 1, 2009: the term "soft drinks" means any
2 complete, finished, ready-to-use, non-alcoholic drink, whether
3 carbonated or not, including, but not limited to, soda water,
4 cola, fruit juice, vegetable juice, carbonated water, and all
5 other preparations commonly known as soft drinks of whatever
6 kind or description that are contained in any closed or sealed
7 bottle, can, carton, or container, regardless of size; but
8 "soft drinks" does not include coffee, tea, non-carbonated
9 water, infant formula, milk or milk products as defined in the
10 Grade A Pasteurized Milk and Milk Products Act, or drinks
11 containing 50% or more natural fruit or vegetable juice.

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

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

1 through a vending machine, except soft drinks, candy, and food
2 products that are dispensed hot from a vending machine,
3 regardless of the location of the vending machine.

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

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

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

1 (B) a statement of the "active ingredient(s)" with a
2 list of those ingredients contained in the compound,
3 substance or preparation.

4 Beginning on January 1, 2014 (the effective date of Public
5 Act 98-122), "prescription and nonprescription medicines and
6 drugs" includes medical cannabis purchased from a registered
7 dispensing organization under the Compassionate Use of Medical
8 Cannabis Program Act.

9 As used in this Section, "adult use cannabis" means
10 cannabis subject to tax under the Cannabis Cultivation
11 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
12 and does not include cannabis subject to tax under the
13 Compassionate Use of Medical Cannabis Program Act.

14 If the property that is purchased at retail from a
15 retailer is acquired outside Illinois and used outside
16 Illinois before being brought to Illinois for use here and is
17 taxable under this Act, the "selling price" on which the tax is
18 computed shall be reduced by an amount that represents a
19 reasonable allowance for depreciation for the period of prior
20 out-of-state use. No depreciation is allowed in cases where
21 the tax under this Act is imposed on lease receipts.

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

25 (35 ILCS 105/9)

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

2 Sec. 9. Except as to motor vehicles, watercraft, aircraft,
3 and trailers that are required to be registered with an agency
4 of this State, each retailer required or authorized to collect
5 the tax imposed by this Act shall pay to the Department the
6 amount of such tax (except as otherwise provided) at the time
7 when he is required to file his return for the period during
8 which such tax was collected, less a discount of 2.1% prior to
9 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
10 per calendar year, whichever is greater, which is allowed to
11 reimburse the retailer for expenses incurred in collecting the
12 tax, keeping records, preparing and filing returns, remitting
13 the tax and supplying data to the Department on request.
14 Beginning with returns due on or after January 1, 2025, the
15 discount allowed in this Section, the Retailers' Occupation
16 Tax Act, the Service Occupation Tax Act, and the Service Use
17 Tax Act, including any local tax administered by the
18 Department and reported on the same return, shall not exceed
19 \$1,000 per month in the aggregate for returns other than
20 transaction returns filed during the month. When determining
21 the discount allowed under this Section, retailers shall
22 include the amount of tax that would have been due at the 6.25%
23 rate but for the 1.25% rate imposed on sales tax holiday items
24 under Public Act 102-700. The discount under this Section is
25 not allowed for the 1.25% portion of taxes paid on aviation
26 fuel that is subject to the revenue use requirements of 49

1 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining the
2 discount allowed under this Section, retailers shall include
3 the amount of tax that would have been due at the 1% rate but
4 for the 0% rate imposed under Public Act 102-700. In the case
5 of retailers who report and pay the tax on a transaction by
6 transaction basis, as provided in this Section, such discount
7 shall be taken with each such tax remittance instead of when
8 such retailer files his periodic return, but, beginning with
9 returns due on or after January 1, 2025, the discount allowed
10 under this Section and the Retailers' Occupation Tax Act,
11 including any local tax administered by the Department and
12 reported on the same transaction return, shall not exceed
13 \$1,000 per month for all transaction returns filed during the
14 month. The discount allowed under this Section is allowed only
15 for returns that are filed in the manner required by this Act.
16 The Department may disallow the discount for retailers whose
17 certificate of registration is revoked at the time the return
18 is filed, but only if the Department's decision to revoke the
19 certificate of registration has become final. A retailer need
20 not remit that part of any tax collected by him to the extent
21 that he is required to remit and does remit the tax imposed by
22 the Retailers' Occupation Tax Act, with respect to the sale of
23 the same property.

24 Where such tangible personal property is sold under a
25 conditional sales contract, or under any other form of sale
26 wherein the payment of the principal sum, or a part thereof, is

1 extended beyond the close of the period for which the return is
2 filed, the retailer, in collecting the tax (except as to motor
3 vehicles, watercraft, aircraft, and trailers that are required
4 to be registered with an agency of this State), may collect for
5 each tax return period only the tax applicable to that part of
6 the selling price actually received during such tax return
7 period.

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

13 Except as provided in this Section, on or before the
14 twentieth day of each calendar month, such retailer shall file
15 a return for the preceding calendar month. Such return shall
16 be filed on forms prescribed by the Department and shall
17 furnish such information as the Department may reasonably
18 require. The return shall include the gross receipts on food
19 for human consumption that is to be consumed off the premises
20 where it is sold (other than alcoholic beverages, food
21 consisting of or infused with adult use cannabis, soft drinks,
22 and food that has been prepared for immediate consumption)
23 which were received during the preceding calendar month,
24 quarter, or year, as appropriate, and upon which tax would
25 have been due but for the 0% rate imposed under Public Act
26 102-700. The return shall also include the amount of tax that

1 would have been due on food for human consumption that is to be
2 consumed off the premises where it is sold (other than
3 alcoholic beverages, food consisting of or infused with adult
4 use cannabis, soft drinks, and food that has been prepared for
5 immediate consumption) but for the 0% rate imposed under
6 Public Act 102-700.

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

23 The Department may require returns to be filed on a
24 quarterly basis. If so required, a return for each calendar
25 quarter shall be filed on or before the twentieth day of the
26 calendar month following the end of such calendar quarter. The

1 taxpayer shall also file a return with the Department for each
2 of the first 2 ~~two~~ months of each calendar quarter, on or
3 before the twentieth day of the following calendar month,
4 stating:

5 1. The name of the seller;

6 2. The address of the principal place of business from
7 which he engages in the business of selling tangible
8 personal property at retail in this State;

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

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

16 5. The amount of tax due;

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

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

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

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

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

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

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

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

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

20 Any taxpayer not required to make payments by electronic
21 funds transfer may make payments by electronic funds transfer
22 with the permission of the Department.

23 All taxpayers required to make payment by electronic funds
24 transfer and any taxpayers authorized to voluntarily make
25 payments by electronic funds transfer shall make those
26 payments in the manner authorized by the Department.

1 The Department shall adopt such rules as are necessary to
2 effectuate a program of electronic funds transfer and the
3 requirements of this Section.

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

1 average monthly liability of the taxpayer to the Department
2 for the preceding 4 complete calendar quarters (excluding the
3 month of highest liability and the month of lowest liability
4 in such 4 quarter period). If the month during which such tax
5 liability is incurred begins on or after January 1, 1985, and
6 prior to January 1, 1987, each payment shall be in an amount
7 equal to 22.5% of the taxpayer's actual liability for the
8 month or 27.5% of the taxpayer's liability for the same
9 calendar month of the preceding year. If the month during
10 which such tax liability is incurred begins on or after
11 January 1, 1987, and prior to January 1, 1988, each payment
12 shall be in an amount equal to 22.5% of the taxpayer's actual
13 liability for the month or 26.25% of the taxpayer's liability
14 for the same calendar month of the preceding year. If the month
15 during which such tax liability is incurred begins on or after
16 January 1, 1988, and prior to January 1, 1989, or begins on or
17 after January 1, 1996, each payment shall be in an amount equal
18 to 22.5% of the taxpayer's actual liability for the month or
19 25% of the taxpayer's liability for the same calendar month of
20 the preceding year. If the month during which such tax
21 liability is incurred begins on or after January 1, 1989, and
22 prior to January 1, 1996, each payment shall be in an amount
23 equal to 22.5% of the taxpayer's actual liability for the
24 month or 25% of the taxpayer's liability for the same calendar
25 month of the preceding year or 100% of the taxpayer's actual
26 liability for the quarter monthly reporting period. The amount

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

1 taxpayer can show the Department that a substantial change in
2 the taxpayer's business has occurred which causes the taxpayer
3 to anticipate that his average monthly tax liability for the
4 reasonably foreseeable future will fall below the \$20,000
5 threshold stated above, then such taxpayer may petition the
6 Department for a change in such taxpayer's reporting status.
7 The Department shall change such taxpayer's reporting status
8 unless it finds that such change is seasonal in nature and not
9 likely to be long term. Quarter monthly payment status shall
10 be determined under this paragraph as if the rate reduction to
11 1.25% in Public Act 102-700 on sales tax holiday items had not
12 occurred. For quarter monthly payments due on or after July 1,
13 2023 and through June 30, 2024, "25% of the taxpayer's
14 liability for the same calendar month of the preceding year"
15 shall be determined as if the rate reduction to 1.25% in Public
16 Act 102-700 on sales tax holiday items had not occurred.
17 Quarter monthly payment status shall be determined under this
18 paragraph as if the rate reduction to 0% in Public Act 102-700
19 on food for human consumption that is to be consumed off the
20 premises where it is sold (other than alcoholic beverages,
21 food consisting of or infused with adult use cannabis, soft
22 drinks, and food that has been prepared for immediate
23 consumption) had not occurred. For quarter monthly payments
24 due under this paragraph on or after July 1, 2023 and through
25 June 30, 2024, "25% of the taxpayer's liability for the same
26 calendar month of the preceding year" shall be determined as

1 if the rate reduction to 0% in Public Act 102-700 had not
2 occurred. If any such quarter monthly payment is not paid at
3 the time or in the amount required by this Section, then the
4 taxpayer shall be liable for penalties and interest on the
5 difference between the minimum amount due and the amount of
6 such quarter monthly payment actually and timely paid, except
7 insofar as the taxpayer has previously made payments for that
8 month to the Department in excess of the minimum payments
9 previously due as provided in this Section. The Department
10 shall make reasonable rules and regulations to govern the
11 quarter monthly payment amount and quarter monthly payment
12 dates for taxpayers who file on other than a calendar monthly
13 basis.

14 If any such payment provided for in this Section exceeds
15 the taxpayer's liabilities under this Act, the Retailers'
16 Occupation Tax Act, the Service Occupation Tax Act and the
17 Service Use Tax Act, as shown by an original monthly return,
18 the Department shall issue to the taxpayer a credit memorandum
19 no later than 30 days after the date of payment, which
20 memorandum may be submitted by the taxpayer to the Department
21 in payment of tax liability subsequently to be remitted by the
22 taxpayer to the Department or be assigned by the taxpayer to a
23 similar taxpayer under this Act, the Retailers' Occupation Tax
24 Act, the Service Occupation Tax Act or the Service Use Tax Act,
25 in accordance with reasonable rules and regulations to be
26 prescribed by the Department, except that if such excess

1 payment is shown on an original monthly return and is made
2 after December 31, 1986, no credit memorandum shall be issued,
3 unless requested by the taxpayer. If no such request is made,
4 the taxpayer may credit such excess payment against tax
5 liability subsequently to be remitted by the taxpayer to the
6 Department under this Act, the Retailers' Occupation Tax Act,
7 the Service Occupation Tax Act or the Service Use Tax Act, in
8 accordance with reasonable rules and regulations prescribed by
9 the Department. If the Department subsequently determines that
10 all or any part of the credit taken was not actually due to the
11 taxpayer, the taxpayer's vendor's discount shall be reduced,
12 if necessary, to reflect the difference between the credit
13 taken and that actually due, and the taxpayer shall be liable
14 for penalties and interest on such difference.

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

26 If the retailer is otherwise required to file a monthly or

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

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

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

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

1 trailer retailer for the purpose of resale or (ii) a retailer
2 of aircraft, watercraft, motor vehicles, or trailers transfers
3 more than one aircraft, watercraft, motor vehicle, or trailer
4 to a purchaser for use as a qualifying rolling stock as
5 provided in Section 3-55 of this Act, then that seller may
6 report the transfer of all the aircraft, watercraft, motor
7 vehicles or trailers involved in that transaction to the
8 Department on the same uniform invoice-transaction reporting
9 return form. For purposes of this Section, "watercraft" means
10 a Class 2, Class 3, or Class 4 watercraft as defined in Section
11 3-2 of the Boat Registration and Safety Act, a personal
12 watercraft, or any boat equipped with an inboard motor.

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

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

3 The transaction reporting return in the case of motor
4 vehicles or trailers that are required to be registered with
5 an agency of this State, shall be the same document as the
6 Uniform Invoice referred to in Section 5-402 of the Illinois
7 Vehicle Code and must show the name and address of the seller;
8 the name and address of the purchaser; the amount of the
9 selling price including the amount allowed by the retailer for
10 traded-in property, if any; the amount allowed by the retailer
11 for the traded-in tangible personal property, if any, to the
12 extent to which Section 2 of this Act allows an exemption for
13 the value of traded-in property; the balance payable after
14 deducting such trade-in allowance from the total selling
15 price; the amount of tax due from the retailer with respect to
16 such transaction; the amount of tax collected from the
17 purchaser by the retailer on such transaction (or satisfactory
18 evidence that such tax is not due in that particular instance,
19 if that is claimed to be the fact); the place and date of the
20 sale; a sufficient identification of the property sold; such
21 other information as is required in Section 5-402 of the
22 Illinois Vehicle Code, and such other information as the
23 Department may reasonably require.

24 The transaction reporting return in the case of watercraft
25 and aircraft must show the name and address of the seller; the
26 name and address of the purchaser; the amount of the selling

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

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

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

14 No retailer's failure or refusal to remit tax under this
15 Act precludes a user, who has paid the proper tax to the
16 retailer, from obtaining his certificate of title or other
17 evidence of title or registration (if titling or registration
18 is required) upon satisfying the Department that such user has
19 paid the proper tax (if tax is due) to the retailer. The
20 Department shall adopt appropriate rules to carry out the
21 mandate of this paragraph.

22 If the user who would otherwise pay tax to the retailer
23 wants the transaction reporting return filed and the payment
24 of tax or proof of exemption made to the Department before the
25 retailer is willing to take these actions and such user has not
26 paid the tax to the retailer, such user may certify to the fact

1 of such delay by the retailer, and may (upon the Department
2 being satisfied of the truth of such certification) transmit
3 the information required by the transaction reporting return
4 and the remittance for tax or proof of exemption directly to
5 the Department and obtain his tax receipt or exemption
6 determination, in which event the transaction reporting return
7 and tax remittance (if a tax payment was required) shall be
8 credited by the Department to the proper retailer's account
9 with the Department, but without the vendor's discount
10 provided for in this Section being allowed. When the user pays
11 the tax directly to the Department, he shall pay the tax in the
12 same amount and in the same form in which it would be remitted
13 if the tax had been remitted to the Department by the retailer.

14 On and after January 1, 2025, with respect to the lease of
15 trailers, other than semitrailers as defined in Section 1-187
16 of the Illinois Vehicle Code, that are required to be
17 registered with an agency of this State and that are subject to
18 the tax on lease receipts under this Act, notwithstanding any
19 other provision of this Act to the contrary, for the purpose of
20 reporting and paying tax under this Act on those lease
21 receipts, lessors shall file returns in addition to and
22 separate from the transaction reporting return. Lessors shall
23 file those lease returns and make payment to the Department by
24 electronic means on or before the 20th day of each month
25 following the month, quarter, or year, as applicable, in which
26 lease receipts were received. All lease receipts received by

1 the lessor from the lease of those trailers during the same
2 reporting period shall be reported and tax shall be paid on a
3 single return form to be prescribed by the Department.

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

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

1 return.

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

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

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

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

25 Beginning January 1, 1990, each month the Department shall
26 pay into the State and Local Sales Tax Reform Fund, a special

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

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

22 Beginning August 1, 2000, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund 100% of the
24 net revenue realized for the preceding month from the 1.25%
25 rate on the selling price of motor fuel and gasohol. If, in any
26 month, the tax on sales tax holiday items, as defined in

1 Section 3-6, is imposed at the rate of 1.25%, then the
2 Department shall pay 100% of the net revenue realized for that
3 month from the 1.25% rate on the selling price of sales tax
4 holiday items into the State and Local Sales Tax Reform Fund.

5 Beginning July 1, 2028, each month the Department shall
6 pay into the State and Local Sales Tax Reform Fund 100% of the
7 net revenue realized for the preceding month from the 1.25%
8 rate on the selling price of building materials for qualified
9 residential developments.

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

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

24 Beginning July 1, 2011, each month the Department shall
25 pay into the Clean Air Act Permit Fund 80% of the net revenue
26 realized for the preceding month from the 6.25% general rate

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

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

22 Beginning July 1, 2015, of the remainder of the moneys
23 received by the Department under this Act, the Service Use Tax
24 Act, the Service Occupation Tax Act, and the Retailers'
25 Occupation Tax Act, each month the Department shall deposit
26 \$500,000 into the State Crime Laboratory Fund.

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

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

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

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

	Fiscal Year	Total Deposit
1		
2	1993	\$0
3	1994	53,000,000
4	1995	58,000,000
5	1996	61,000,000
6	1997	64,000,000
7	1998	68,000,000
8	1999	71,000,000
9	2000	75,000,000
10	2001	80,000,000
11	2002	93,000,000
12	2003	99,000,000
13	2004	103,000,000
14	2005	108,000,000
15	2006	113,000,000
16	2007	119,000,000
17	2008	126,000,000
18	2009	132,000,000
19	2010	139,000,000
20	2011	146,000,000
21	2012	153,000,000
22	2013	161,000,000
23	2014	170,000,000
24	2015	179,000,000
25	2016	189,000,000
26	2017	199,000,000

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

20 and

21 each fiscal year

22 thereafter that bonds

23 are outstanding under

24 Section 13.2 of the

25 Metropolitan Pier and

26 Exposition Authority Act,

1 but not after fiscal year 2060.

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

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

1 binding on the State.

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

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

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

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

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

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

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

26 Beginning July 1, 2021 and until July 1, 2022, subject to

1 the payment of amounts into the State and Local Sales Tax
2 Reform Fund, the Build Illinois Fund, the McCormick Place
3 Expansion Project Fund, the Illinois Tax Increment Fund, and
4 the Tax Compliance and Administration Fund as provided in this
5 Section, the Department shall pay each month into the Road
6 Fund the amount estimated to represent 16% of the net revenue
7 realized from the taxes imposed on motor fuel and gasohol.
8 Beginning July 1, 2022 and until July 1, 2023, subject to the
9 payment of amounts into the State and Local Sales Tax Reform
10 Fund, the Build Illinois Fund, the McCormick Place Expansion
11 Project Fund, the Illinois Tax Increment Fund, and the Tax
12 Compliance and Administration Fund as provided in this
13 Section, the Department shall pay each month into the Road
14 Fund the amount estimated to represent 32% of the net revenue
15 realized from the taxes imposed on motor fuel and gasohol.
16 Beginning July 1, 2023 and until July 1, 2024, subject to the
17 payment of amounts into the State and Local Sales Tax Reform
18 Fund, the Build Illinois Fund, the McCormick Place Expansion
19 Project Fund, the Illinois Tax Increment Fund, and the Tax
20 Compliance and Administration Fund as provided in this
21 Section, the Department shall pay each month into the Road
22 Fund the amount estimated to represent 48% of the net revenue
23 realized from the taxes imposed on motor fuel and gasohol.
24 Beginning July 1, 2024 and until July 1, 2026, subject to the
25 payment of amounts into the State and Local Sales Tax Reform
26 Fund, the Build Illinois Fund, the McCormick Place Expansion

1 Project Fund, the Illinois Tax Increment Fund, and the Tax
2 Compliance and Administration Fund as provided in this
3 Section, the Department shall pay each month into the Road
4 Fund the amount estimated to represent 64% of the net revenue
5 realized from the taxes imposed on motor fuel and gasohol.
6 Beginning on July 1, 2026, subject to the payment of amounts
7 into the State and Local Sales Tax Reform Fund, the Build
8 Illinois Fund, the McCormick Place Expansion Project Fund, the
9 Illinois Tax Increment Fund, and the Tax Compliance and
10 Administration Fund as provided in this Section, the
11 Department shall pay each month into the Road Fund the amount
12 estimated to represent 80% of the net revenue realized from
13 the taxes imposed on motor fuel and gasohol. As used in this
14 paragraph, "motor fuel" has the meaning given to that term in
15 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the
16 meaning given to that term in Section 3-40 of this Act.

17 Until July 1, 2025, of the remainder of the moneys
18 received by the Department pursuant to this Act, 75% thereof
19 shall be paid into the State treasury and 25% shall be reserved
20 in a special account and used only for the transfer to the
21 Common School Fund as part of the monthly transfer from the
22 General Revenue Fund in accordance with Section 8a of the
23 State Finance Act. Beginning July 1, 2025, of the remainder of
24 the moneys received by the Department pursuant to this Act,
25 75% shall be deposited into the General Revenue Fund and 25%
26 shall be deposited into the Common School Fund.

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

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

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

19 (Source: P.A. 103-154, eff. 6-30-23; 103-363, eff. 7-28-23;
20 103-592, Article 75, Section 75-5, eff. 1-1-25; 103-592,
21 Article 110, Section 110-5, eff. 6-7-24; 103-1055, eff.
22 12-20-24; 104-6, Article 5, Section 5-10, eff. 6-16-25; 104-6,
23 Article 35, Section 35-20, eff. 6-16-25; revised 1-12-26.)

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

25 Sec. 9. Except as to motor vehicles, watercraft, aircraft,

1 and trailers that are required to be registered with an agency
2 of this State, each retailer required or authorized to collect
3 the tax imposed by this Act shall pay to the Department the
4 amount of such tax (except as otherwise provided) at the time
5 when he is required to file his return for the period during
6 which such tax was collected, less a discount of 2.1% prior to
7 January 1, 1990, and 1.75% on and after January 1, 1990, or \$5
8 per calendar year, whichever is greater, which is allowed to
9 reimburse the retailer for expenses incurred in collecting the
10 tax, keeping records, preparing and filing returns, remitting
11 the tax and supplying data to the Department on request.
12 Beginning with returns due on or after January 1, 2025, the
13 discount allowed in this Section, the Retailers' Occupation
14 Tax Act, the Service Occupation Tax Act, and the Service Use
15 Tax Act, including any local tax administered by the
16 Department and reported on the same return, shall not exceed
17 \$1,000 per month in the aggregate for returns other than
18 transaction returns filed during the month. When determining
19 the discount allowed under this Section, retailers shall
20 include the amount of tax that would have been due at the 6.25%
21 rate but for the 1.25% rate imposed on sales tax holiday items
22 under Public Act 102-700. The discount under this Section is
23 not allowed for the 1.25% portion of taxes paid on aviation
24 fuel that is subject to the revenue use requirements of 49
25 U.S.C. 47107(b) and 49 U.S.C. 47133. When determining the
26 discount allowed under this Section, retailers shall include

1 the amount of tax that would have been due at the 1% rate but
2 for the 0% rate imposed under Public Act 102-700. In the case
3 of retailers who report and pay the tax on a transaction by
4 transaction basis, as provided in this Section, such discount
5 shall be taken with each such tax remittance instead of when
6 such retailer files his periodic return, but, beginning with
7 returns due on or after January 1, 2025, the discount allowed
8 under this Section and the Retailers' Occupation Tax Act,
9 including any local tax administered by the Department and
10 reported on the same transaction return, shall not exceed
11 \$1,000 per month for all transaction returns filed during the
12 month. The discount allowed under this Section is allowed only
13 for returns that are filed in the manner required by this Act.
14 The Department may disallow the discount for retailers whose
15 certificate of registration is revoked at the time the return
16 is filed, but only if the Department's decision to revoke the
17 certificate of registration has become final. A retailer need
18 not remit that part of any tax collected by him to the extent
19 that he is required to remit and does remit the tax imposed by
20 the Retailers' Occupation Tax Act, with respect to the sale of
21 the same property.

22 Where such tangible personal property is sold under a
23 conditional sales contract, or under any other form of sale
24 wherein the payment of the principal sum, or a part thereof, is
25 extended beyond the close of the period for which the return is
26 filed, the retailer, in collecting the tax (except as to motor

1 vehicles, watercraft, aircraft, and trailers that are required
2 to be registered with an agency of this State), may collect for
3 each tax return period only the tax applicable to that part of
4 the selling price actually received during such tax return
5 period.

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

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

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

21 The Department may require returns to be filed on a
22 quarterly basis. If so required, a return for each calendar
23 quarter shall be filed on or before the twentieth day of the
24 calendar month following the end of such calendar quarter. The
25 taxpayer shall also file a return with the Department for each
26 of the first 2 months of each calendar quarter, on or before

1 the twentieth day of the following calendar month, stating:

2 1. The name of the seller;

3 2. The address of the principal place of business from
4 which he engages in the business of selling tangible
5 personal property at retail in this State;

6 3. The total amount of taxable receipts received by
7 him during the preceding calendar month from sales of
8 tangible personal property by him during such preceding
9 calendar month, including receipts from charge and time
10 sales, but less all deductions allowed by law;

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

13 5. The amount of tax due;

14 5-5. The signature of the taxpayer; and

15 6. Such other reasonable information as the Department
16 may require.

17 Each retailer required or authorized to collect the tax
18 imposed by this Act on aviation fuel sold at retail in this
19 State during the preceding calendar month shall, instead of
20 reporting and paying tax on aviation fuel as otherwise
21 required by this Section, report and pay such tax on a separate
22 aviation fuel tax return. The requirements related to the
23 return shall be as otherwise provided in this Section.
24 Notwithstanding any other provisions of this Act to the
25 contrary, retailers collecting tax on aviation fuel shall file
26 all aviation fuel tax returns and shall make all aviation fuel

1 tax payments by electronic means in the manner and form
2 required by the Department. For purposes of this Section,
3 "aviation fuel" means jet fuel and aviation gasoline.

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

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

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

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

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

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

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

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

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

1 in such 4 quarter period). If the month during which such tax
2 liability is incurred begins on or after January 1, 1985, and
3 prior to January 1, 1987, each payment shall be in an amount
4 equal to 22.5% of the taxpayer's actual liability for the
5 month or 27.5% of the taxpayer's liability for the same
6 calendar month of the preceding year. If the month during
7 which such tax liability is incurred begins on or after
8 January 1, 1987, and prior to January 1, 1988, each payment
9 shall be in an amount equal to 22.5% of the taxpayer's actual
10 liability for the month or 26.25% of the taxpayer's liability
11 for the same calendar month of the preceding year. If the month
12 during which such tax liability is incurred begins on or after
13 January 1, 1988, and prior to January 1, 1989, or begins on or
14 after January 1, 1996, each payment shall be in an amount equal
15 to 22.5% of the taxpayer's actual liability for the month or
16 25% of the taxpayer's liability for the same calendar month of
17 the preceding year. If the month during which such tax
18 liability is incurred begins on or after January 1, 1989, and
19 prior to January 1, 1996, each payment shall be in an amount
20 equal to 22.5% of the taxpayer's actual liability for the
21 month or 25% of the taxpayer's liability for the same calendar
22 month of the preceding year or 100% of the taxpayer's actual
23 liability for the quarter monthly reporting period. The amount
24 of such quarter monthly payments shall be credited against the
25 final tax liability of the taxpayer's return for that month.
26 Before 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 \$9,000, 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 \$10,000. 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 \$10,000
13 threshold stated above, then such taxpayer may petition the
14 Department for change in such taxpayer's reporting status. On
15 and after October 1, 2000, once applicable, the requirement of
16 the making of quarter monthly payments to the Department 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 \$19,000 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 \$20,000. 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 \$20,000
2 threshold stated above, then such taxpayer may petition the
3 Department for a change in such taxpayer's reporting status.
4 The Department shall change such taxpayer's reporting status
5 unless it finds that such change is seasonal in nature and not
6 likely to be long term. Quarter monthly payment status shall
7 be determined under this paragraph as if the rate reduction to
8 1.25% in Public Act 102-700 on sales tax holiday items had not
9 occurred. For quarter monthly payments due on or after July 1,
10 2023 and through June 30, 2024, "25% of the taxpayer's
11 liability for the same calendar month of the preceding year"
12 shall be determined as if the rate reduction to 1.25% in Public
13 Act 102-700 on sales tax holiday items had not occurred.
14 Quarter monthly payment status shall be determined under this
15 paragraph as if the rate reduction to 0% in Public Act 102-700
16 on 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) had not occurred. For quarter monthly payments
21 due under this paragraph on or after July 1, 2023 and through
22 June 30, 2024, "25% of the taxpayer's liability for the same
23 calendar month of the preceding year" shall be determined as
24 if the rate reduction to 0% in Public Act 102-700 had not
25 occurred. If any such quarter monthly payment is not paid at
26 the time or in the amount required by this Section, then the

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

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

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

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

23 If the retailer is otherwise required to file a monthly or
24 quarterly return and if the retailer's average monthly tax
25 liability to the Department does not exceed \$50, the
26 Department may authorize his returns to be filed on an annual

1 basis, with the return for a given year being due by January 20
2 of the following year.

3 Such quarter annual and annual returns, as to form and
4 substance, shall be subject to the same requirements as
5 monthly returns.

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

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

1 to a purchaser for use as a qualifying rolling stock as
2 provided in Section 3-55 of this Act, then that seller may
3 report the transfer of all the aircraft, watercraft, motor
4 vehicles or trailers involved in that transaction to the
5 Department on the same uniform invoice-transaction reporting
6 return form. For purposes of this Section, "watercraft" means
7 a Class 2, Class 3, or Class 4 watercraft as defined in Section
8 3-2 of the Boat Registration and Safety Act, a personal
9 watercraft, or any boat equipped with an inboard motor.

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

26 The transaction reporting return in the case of motor

1 vehicles or trailers that are required to be registered with
2 an agency of this State, shall be the same document as the
3 Uniform Invoice referred to in Section 5-402 of the Illinois
4 Vehicle Code and must show the name and address of the seller;
5 the name and address of the purchaser; the amount of the
6 selling price including the amount allowed by the retailer for
7 traded-in property, if any; the amount allowed by the retailer
8 for the traded-in tangible personal property, if any, to the
9 extent to which Section 2 of this Act allows an exemption for
10 the value of traded-in property; the balance payable after
11 deducting such trade-in allowance from the total selling
12 price; the amount of tax due from the retailer with respect to
13 such transaction; the amount of tax collected from the
14 purchaser by the retailer on such transaction (or satisfactory
15 evidence that such tax is not due in that particular instance,
16 if that is claimed to be the fact); the place and date of the
17 sale; a sufficient identification of the property sold; such
18 other information as is required in Section 5-402 of the
19 Illinois Vehicle Code, and such other information as the
20 Department may reasonably require.

21 The transaction reporting return in the case of watercraft
22 and aircraft must show the name and address of the seller; the
23 name and address of the purchaser; the amount of the selling
24 price including the amount allowed by the retailer for
25 traded-in property, if any; the amount allowed by the retailer
26 for the traded-in tangible personal property, if any, to the

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

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

24 With each such transaction reporting return, the retailer
25 shall remit the proper amount of tax due (or shall submit
26 satisfactory evidence that the sale is not taxable if that is

1 the case), to the Department or its agents, whereupon the
2 Department shall issue, in the purchaser's name, a tax receipt
3 (or a certificate of exemption if the Department is satisfied
4 that the particular sale is tax exempt) which such purchaser
5 may submit to the agency with which, or State officer with
6 whom, he must title or register the tangible personal property
7 that is involved (if titling or registration is required) in
8 support of such purchaser's application for an Illinois
9 certificate or other evidence of title or registration to such
10 tangible personal property.

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

19 If the user who would otherwise pay tax to the retailer
20 wants the transaction reporting return filed and the payment
21 of tax or proof of exemption made to the Department before the
22 retailer is willing to take these actions and such user has not
23 paid the tax to the retailer, such user may certify to the fact
24 of such delay by the retailer, and may (upon the Department
25 being satisfied of the truth of such certification) transmit
26 the information required by the transaction reporting return

1 and the remittance for tax or proof of exemption directly to
2 the Department and obtain his tax receipt or exemption
3 determination, in which event the transaction reporting return
4 and tax remittance (if a tax payment was required) shall be
5 credited by the Department to the proper retailer's account
6 with the Department, but without the vendor's discount
7 provided for in this Section being allowed. When the user pays
8 the tax directly to the Department, he shall pay the tax in the
9 same amount and in the same form in which it would be remitted
10 if the tax had been remitted to the Department by the retailer.

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

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

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

25 If experience indicates such action to be practicable, the
26 Department may prescribe and furnish a combination or joint

1 return which will enable retailers, who are required to file
2 returns hereunder and also under the Retailers' Occupation Tax
3 Act, to furnish all the return information required by both
4 Acts on the one form.

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

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

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

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund, a special
24 fund in the State treasury, 20% of the net revenue realized for
25 the preceding month from the 6.25% general rate on the selling
26 price of tangible personal property, other than (i) tangible

1 personal property which is purchased outside Illinois at
2 retail from a retailer and which is titled or registered by an
3 agency of this State's government and (ii) aviation fuel sold
4 on or after December 1, 2019. This exception for aviation fuel
5 only applies for so long as the revenue use requirements of 49
6 U.S.C. 47107(b) and 49 U.S.C. 47133 are binding on the State.

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

19 Beginning August 1, 2000, each month the Department shall
20 pay into the State and Local Sales Tax Reform Fund 100% of the
21 net revenue realized for the preceding month from the 1.25%
22 rate on the selling price of motor fuel and gasohol. If, in any
23 month, the tax on sales tax holiday items, as defined in
24 Section 3-6, is imposed at the rate of 1.25%, then the
25 Department shall pay 100% of the net revenue realized for that
26 month from the 1.25% rate on the selling price of sales tax

1 holiday items into the State and Local Sales Tax Reform Fund.

2 Beginning July 1, 2028, each month the Department shall
3 pay into the State and Local Sales Tax Reform Fund 100% of the
4 net revenue realized for the preceding month from the 1.25%
5 rate on the selling price of building materials for qualified
6 residential developments.

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

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

21 Beginning July 1, 2011, each month the Department shall
22 pay into the Clean Air Act Permit Fund 80% of the net revenue
23 realized for the preceding month from the 6.25% general rate
24 on the selling price of sorbents used in Illinois in the
25 process of sorbent injection as used to comply with the
26 Environmental Protection Act or the federal Clean Air Act, but

1 the total payment into the Clean Air Act Permit Fund under this
2 Act and the Retailers' Occupation Tax Act shall not exceed
3 \$2,000,000 in any fiscal year.

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

19 Beginning July 1, 2015, of the remainder of the moneys
20 received by the Department under this Act, the Service Use Tax
21 Act, the Service Occupation Tax Act, and the Retailers'
22 Occupation Tax Act, each month the Department shall deposit
23 \$500,000 into the State Crime Laboratory Fund.

24 Of the remainder of the moneys received by the Department
25 pursuant to this Act, (a) 1.75% thereof shall be paid into the
26 Build Illinois Fund and (b) prior to July 1, 1989, 2.2% and on

1 and after July 1, 1989, 3.8% thereof shall be paid into the
2 Build Illinois Fund; provided, however, that if in any fiscal
3 year the sum of (1) the aggregate of 2.2% or 3.8%, as the case
4 may be, of the moneys received by the Department and required
5 to be paid into the Build Illinois Fund pursuant to Section 3
6 of the Retailers' Occupation Tax Act, Section 9 of the Use Tax
7 Act, Section 9 of the Service Use Tax Act, and Section 9 of the
8 Service Occupation Tax Act, such Acts being hereinafter called
9 the "Tax Acts" and such aggregate of 2.2% or 3.8%, as the case
10 may be, of moneys being hereinafter called the "Tax Act
11 Amount", and (2) the amount transferred to the Build Illinois
12 Fund from the State and Local Sales Tax Reform Fund shall be
13 less than the Annual Specified Amount (as defined in Section 3
14 of the Retailers' Occupation Tax Act), an amount equal to the
15 difference shall be immediately paid into the Build Illinois
16 Fund from other moneys received by the Department pursuant to
17 the Tax Acts; and further provided, that if on the last
18 business day of any month the sum of (1) the Tax Act Amount
19 required to be deposited into the Build Illinois Bond Account
20 in the Build Illinois Fund during such month and (2) the amount
21 transferred during such month to the Build Illinois Fund from
22 the State and Local Sales Tax Reform Fund shall have been less
23 than 1/12 of the Annual Specified Amount, an amount equal to
24 the difference shall be immediately paid into the Build
25 Illinois Fund from other moneys received by the Department
26 pursuant to the Tax Acts; and, further provided, that in no

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

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

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

24	Fiscal Year	Total Deposit
25	1993	\$0
26	1994	53,000,000

1	1995	58,000,000
2	1996	61,000,000
3	1997	64,000,000
4	1998	68,000,000
5	1999	71,000,000
6	2000	75,000,000
7	2001	80,000,000
8	2002	93,000,000
9	2003	99,000,000
10	2004	103,000,000
11	2005	108,000,000
12	2006	113,000,000
13	2007	119,000,000
14	2008	126,000,000
15	2009	132,000,000
16	2010	139,000,000
17	2011	146,000,000
18	2012	153,000,000
19	2013	161,000,000
20	2014	170,000,000
21	2015	179,000,000
22	2016	189,000,000
23	2017	199,000,000
24	2018	210,000,000
25	2019	221,000,000
26	2020	233,000,000

1	2021	300,000,000
2	2022	300,000,000
3	2023	300,000,000
4	2024	300,000,000
5	2025	300,000,000
6	2026	300,000,000
7	2027	375,000,000
8	2028	375,000,000
9	2029	375,000,000
10	2030	375,000,000
11	2031	375,000,000
12	2032	375,000,000
13	2033	375,000,000
14	2034	375,000,000
15	2035	375,000,000
16	2036	450,000,000

17 and

18 each fiscal year

19 thereafter that bonds

20 are outstanding under

21 Section 13.2 of the

22 Metropolitan Pier and

23 Exposition Authority Act,

24 but not after fiscal year 2060.

25 Beginning July 20, 1993 and in each month of each fiscal
26 year thereafter, one-eighth of the amount requested in the

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

12 Subject to payment of amounts into the Capital Projects
13 Fund, the Clean Air Act Permit Fund, 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, for aviation fuel sold on or after December 1, 2019,
17 the Department shall each month deposit into the Aviation Fuel
18 Sales Tax Refund Fund an amount estimated by the Department to
19 be required for refunds of the 80% portion of the tax on
20 aviation fuel under this Act. The Department shall only
21 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
22 under this paragraph for so long as the revenue use
23 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
24 binding on the State.

25 Subject to payment of amounts into the Build Illinois Fund
26 and the McCormick Place Expansion Project Fund pursuant to the

1 preceding paragraphs or in any amendments thereto hereafter
2 enacted, beginning July 1, 1993 and ending on September 30,
3 2013, the Department shall each month pay into the Illinois
4 Tax Increment Fund 0.27% of 80% of the net revenue realized for
5 the preceding month from the 6.25% general rate on the selling
6 price of tangible personal property.

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

26 Subject to payments of amounts into the Build Illinois

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

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

1 Partnership for Civic and Transit Infrastructure Project Act.

2	Fiscal Year.....	Total Deposit
3	2024	\$200,000,000
4	2025	\$206,000,000
5	2026	\$212,200,000
6	2027	\$218,500,000
7	2028	\$225,100,000
8	2029	\$288,700,000
9	2030	\$298,900,000
10	2031	\$309,300,000
11	2032	\$320,100,000
12	2033	\$331,200,000
13	2034	\$341,200,000
14	2035	\$351,400,000
15	2036	\$361,900,000
16	2037	\$372,800,000
17	2038	\$384,000,000
18	2039	\$395,500,000
19	2040	\$407,400,000
20	2041	\$419,600,000
21	2042	\$432,200,000
22	2043	\$445,100,000

23 Beginning July 1, 2021 and until July 1, 2022, subject to
 24 the payment of amounts into the State and Local Sales Tax
 25 Reform Fund, the Build Illinois Fund, the McCormick Place
 26 Expansion Project Fund, the Illinois Tax Increment Fund, and

1 the Tax Compliance and Administration Fund as provided in this
2 Section, the Department shall pay each month into the Road
3 Fund the amount estimated to represent 16% of the net revenue
4 realized from the taxes imposed on motor fuel and gasohol.
5 Beginning July 1, 2022 and until July 1, 2023, subject to the
6 payment of amounts into the State and Local Sales Tax Reform
7 Fund, the Build Illinois Fund, the McCormick Place Expansion
8 Project Fund, the Illinois Tax Increment Fund, and the Tax
9 Compliance and Administration Fund as provided in this
10 Section, the Department shall pay each month into the Road
11 Fund the amount estimated to represent 32% of the net revenue
12 realized from the taxes imposed on motor fuel and gasohol.
13 Beginning July 1, 2023 and until July 1, 2024, subject to the
14 payment of amounts into the State and Local Sales Tax Reform
15 Fund, the Build Illinois Fund, the McCormick Place Expansion
16 Project Fund, the Illinois Tax Increment Fund, and the Tax
17 Compliance and Administration Fund as provided in this
18 Section, the Department shall pay each month into the Road
19 Fund the amount estimated to represent 48% of the net revenue
20 realized from the taxes imposed on motor fuel and gasohol.
21 Beginning July 1, 2024 and until July 1, 2026, subject to the
22 payment of amounts into the State and Local Sales Tax Reform
23 Fund, the Build Illinois Fund, the McCormick Place Expansion
24 Project Fund, the Illinois Tax Increment Fund, and the Tax
25 Compliance and Administration Fund as provided in this
26 Section, the Department shall pay each month into the Road

1 Fund the amount estimated to represent 64% of the net revenue
2 realized from the taxes imposed on motor fuel and gasohol.
3 Beginning on July 1, 2026, subject to the payment of amounts
4 into the State and Local Sales Tax Reform Fund, the Build
5 Illinois Fund, the McCormick Place Expansion Project Fund, the
6 Illinois Tax Increment Fund, and the Tax Compliance and
7 Administration Fund as provided in this Section, the
8 Department shall pay each month into the Public Transportation
9 Fund and the Downstate Public Transportation Fund the amount
10 estimated to represent 80% of the net revenue realized from
11 the taxes imposed on motor fuel and gasohol. Moneys shall be
12 apportioned as follows: 85% into the Public Transportation
13 Fund and 15% into the Downstate Public Transportation Fund. As
14 used in this paragraph, "motor fuel" has the meaning given to
15 that term in Section 1.1 of the Motor Fuel Tax Law, and
16 "gasohol" has the meaning given to that term in Section 3-40 of
17 this Act.

18 Until July 1, 2025, of the remainder of the moneys
19 received by the Department pursuant to this Act, 75% thereof
20 shall be paid into the State treasury and 25% shall be reserved
21 in a special account and used only for the transfer to the
22 Common School Fund as part of the monthly transfer from the
23 General Revenue Fund in accordance with Section 8a of the
24 State Finance Act. Beginning July 1, 2025, of the remainder of
25 the moneys received by the Department pursuant to this Act,
26 75% shall be deposited into the General Revenue Fund and 25%

1 shall be deposited into the Common School Fund.

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

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

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

20 (Source: P.A. 103-154, eff. 6-30-23; 103-363, eff. 7-28-23;
21 103-592, Article 75, Section 75-5, eff. 1-1-25; 103-592,
22 Article 110, Section 110-5, eff. 6-7-24; 103-1055, eff.
23 12-20-24; 104-6, Article 5, Section 5-10, eff. 6-16-25; 104-6,
24 Article 35, Section 35-20, eff. 6-16-25; 104-457, eff.
25 6-1-26.)

1 (35 ILCS 105/12) (from Ch. 120, par. 439.12)

2 Sec. 12. Applicability of Retailers' Occupation Tax Act
3 and Uniform Penalty and Interest Act. All of the provisions of
4 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,
5 2-29, 2-54, 2a, 2b, 2c, 3, 4 (except that the time limitation
6 provisions shall run from the date when the tax is due rather
7 than from the date when gross receipts are received), 5
8 (except that the time limitation provisions on the issuance of
9 notices of tax liability shall run from the date when the tax
10 is due rather than from the date when gross receipts are
11 received and except that in the case of a failure to file a
12 return required by this Act, no notice of tax liability shall
13 be issued on and after each July 1 and January 1 covering tax
14 due with that return during any month or period more than 6
15 years before that July 1 or January 1, respectively), 5a, 5b,
16 5c, 5d, 5e, 5f, 5g, 5h, 5j, 5k, 5l, 5m, 5n, 5o, 7, 8, 9, 10, 11
17 and 12 of the Retailers' Occupation Tax Act and Section 3-7 of
18 the Uniform Penalty and Interest Act, which are not
19 inconsistent with this Act, shall apply, as far as
20 practicable, to the subject matter of this Act to the same
21 extent as if such provisions were included herein.

22 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
23 103-595, eff. 6-26-24.)

24 Section 45. The Service Use Tax Act is amended by changing
25 Sections 3-10, 9, and 12 as follows:

1 (35 ILCS 110/3-10)

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

9 Beginning July 1, 2028, with respect to building materials
10 used in a qualified residential development, as defined in
11 Section 605-1121 of the Department of Commerce and Economic
12 Opportunity Law of the Civil Administrative Code of Illinois,
13 the tax is imposed at the rate of 1.25%.

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

18 With respect to gasohol, as defined in the Use Tax Act, the
19 tax imposed by this Act applies to (i) 70% of the selling price
20 of property transferred as an incident to the sale of service
21 on or after January 1, 1990, and before July 1, 2003, (ii) 80%
22 of the selling price of property transferred as an incident to
23 the sale of service on or after July 1, 2003 and on or before
24 July 1, 2017, (iii) 100% of the selling price of property
25 transferred as an incident to the sale of service after July 1,

1 2017 and before January 1, 2024, (iv) 90% of the selling price
2 of property transferred as an incident to the sale of service
3 on or after January 1, 2024 and on or before December 31, 2028,
4 and (v) 100% of the selling price of property transferred as an
5 incident to the sale of service after December 31, 2028. If, at
6 any time, however, the tax under this Act on sales of gasohol,
7 as defined in the Use Tax Act, is imposed at the rate of 1.25%,
8 then the tax imposed by this Act applies to 100% of the
9 proceeds of sales of gasohol made during that time.

10 With respect to mid-range ethanol blends, as defined in
11 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
12 applies to (i) 80% of the selling price of property
13 transferred as an incident to the sale of service on or after
14 January 1, 2024 and on or before December 31, 2028 and (ii)
15 100% of the selling price of property transferred as an
16 incident to the sale of service after December 31, 2028. If, at
17 any time, however, the tax under this Act on sales of mid-range
18 ethanol blends is imposed at the rate of 1.25%, then the tax
19 imposed by this Act applies to 100% of the selling price of
20 mid-range ethanol blends transferred as an incident to the
21 sale of service during that time.

22 With respect to majority blended ethanol fuel, as defined
23 in the Use Tax Act, the tax imposed by this Act does not apply
24 to the selling price of property transferred as an incident to
25 the sale of service on or after July 1, 2003 and on or before
26 December 31, 2028 but applies to 100% of the selling price

1 thereafter.

2 With respect to biodiesel blends, as defined in the Use
3 Tax Act, with no less than 1% and no more than 10% biodiesel,
4 the tax imposed by this Act applies to (i) 80% of the selling
5 price of property transferred as an incident to the sale of
6 service on or after July 1, 2003 and on or before December 31,
7 2018 and (ii) 100% of the proceeds of the selling price after
8 December 31, 2018 and before January 1, 2024. On and after
9 January 1, 2024 and on or before December 31, 2030, the
10 taxation of biodiesel, renewable diesel, and biodiesel blends
11 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
12 at any time, however, the tax under this Act on sales of
13 biodiesel blends, as defined in the Use Tax Act, with no less
14 than 1% and no more than 10% biodiesel is imposed at the rate
15 of 1.25%, then the tax imposed by this Act applies to 100% of
16 the proceeds of sales of biodiesel blends with no less than 1%
17 and no more than 10% biodiesel made during that time.

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

1 Act.

2 At the election of any registered serviceman made for each
3 fiscal year, for whom the aggregate annual cost price of
4 tangible personal property transferred as an incident to the
5 sales of service is less than 35%, or 75% in the case of
6 servicemen transferring prescription drugs or servicemen
7 engaged in graphic arts production, of the aggregate annual
8 total gross receipts from all sales of service, the tax
9 imposed by this Act shall be based on the serviceman's cost
10 price of the tangible personal property transferred as an
11 incident to the sale of those services. This election may also
12 be made by any serviceman maintaining a place of business in
13 this State who makes retail sales from outside of this State to
14 Illinois customers but is not required to be registered under
15 Section 2a of the Retailers' Occupation Tax Act. Beginning
16 January 1, 2026, this election shall not apply to any sale of
17 service made through a marketplace that has met the threshold
18 in subsection (b-5) of Section 2d of this Act.

19 Beginning January 1, 2026, the tax shall be imposed at the
20 rate of 6.25% of 50% of the entire billing to the service
21 customer for all sales of service made through a marketplace
22 that has met the threshold in subsection (b-5) of Section 2d of
23 this Act. In no event shall 50% of the entire billing be less
24 than the cost price of the property to the marketplace
25 serviceman or the marketplace facilitator on its own sales of
26 service.

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

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

1 pursuant to the Life Care Facilities Act. Beginning on July 1,
2 2022 and until July 1, 2023, the tax shall also be imposed at
3 the rate of 0% on food for human consumption that is to be
4 consumed off the premises where it is sold (other than
5 alcoholic beverages, food consisting of or infused with adult
6 use cannabis, soft drinks, and food that has been prepared for
7 immediate consumption and is not otherwise included in this
8 paragraph).

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

25 The tax shall be imposed at the rate of 1% on prescription
26 and nonprescription medicines, drugs, medical appliances,

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

1 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; 104-6, eff.
6 6-16-25; 104-417, eff. 8-15-25.)

7 (35 ILCS 110/9)

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

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

1 the amount of tax that would have been due at the 1% rate but
2 for the 0% rate imposed under Public Act 102-700. The discount
3 under this Section is not allowed for the 1.25% portion of
4 taxes paid on aviation fuel that is subject to the revenue use
5 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
6 discount allowed under this Section is allowed only for
7 returns that are filed in the manner required by this Act. The
8 Department may disallow the discount for servicemen whose
9 certificate of registration is revoked at the time the return
10 is filed, but only if the Department's decision to revoke the
11 certificate of registration has become final. A serviceman
12 need not remit that part of any tax collected by him to the
13 extent that he is required to pay and does pay the tax imposed
14 by the Service Occupation Tax Act with respect to his sale of
15 service involving the incidental transfer by him of the same
16 property.

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

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

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

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

1 filing electronically may petition the Department to waive the
2 electronic filing requirement.

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

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

25 Each serviceman required or authorized to collect the tax
26 imposed by this Act on aviation fuel transferred as an

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

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

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

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

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

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

26 Any taxpayer not required to make payments by electronic

1 funds transfer may make payments by electronic funds transfer
2 with the permission of the Department.

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

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

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

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

1 Such quarter annual and annual returns, as to form and
2 substance, shall be subject to the same requirements as
3 monthly returns.

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

11 Where a serviceman collects the tax with respect to the
12 selling price of property which he sells and the purchaser
13 thereafter returns such property and the serviceman refunds
14 the selling price thereof to the purchaser, such serviceman
15 shall also refund, to the purchaser, the tax so collected from
16 the purchaser. When filing his return for the period in which
17 he refunds such tax to the purchaser, the serviceman may
18 deduct the amount of the tax so refunded by him to the
19 purchaser from any other Service Use Tax, Service Occupation
20 Tax, retailers' occupation tax, or use tax which such
21 serviceman may be required to pay or remit to the Department,
22 as shown by such return, provided that the amount of the tax to
23 be deducted shall previously have been remitted to the
24 Department by such serviceman. If the serviceman shall not
25 previously have remitted the amount of such tax to the
26 Department, he shall be entitled to no deduction hereunder

1 upon refunding such tax to the purchaser.

2 Any serviceman filing a return hereunder shall also
3 include the total tax upon the selling price of tangible
4 personal property purchased for use by him as an incident to a
5 sale of service, and such serviceman shall remit the amount of
6 such tax to the Department when filing such return.

7 If experience indicates such action to be practicable, the
8 Department may prescribe and furnish a combination or joint
9 return which will enable servicemen, who are required to file
10 returns hereunder and also under the Service Occupation Tax
11 Act, to furnish all the return information required by both
12 Acts on the one form.

13 Where the serviceman has more than one business registered
14 with the Department under separate registration hereunder,
15 such serviceman shall not file each return that is due as a
16 single return covering all such registered businesses, but
17 shall file separate returns for each such registered business.

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

22 Beginning January 1, 1990, each month the Department shall
23 pay into the State and Local Sales Tax Reform Fund 20% of the
24 net revenue realized for the preceding month from the 6.25%
25 general rate on transfers of tangible personal property, other
26 than (i) tangible personal property which is purchased outside

1 Illinois at retail from a retailer and which is titled or
2 registered by an agency of this State's government and (ii)
3 aviation fuel sold on or after December 1, 2019. This
4 exception for aviation fuel only applies for so long as the
5 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
6 47133 are binding on the State.

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

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

23 Beginning July 1, 2028, each month the Department shall
24 pay into the State and Local Sales Tax Reform Fund 100% of the
25 net revenue realized for the preceding month from the 1.25%
26 rate on the selling price of building materials for qualified

1 residential developments.

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

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

1 Act, each month the Department shall deposit \$500,000 into the
2 State Crime Laboratory Fund.

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

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

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

1	2015	179,000,000
2	2016	189,000,000
3	2017	199,000,000
4	2018	210,000,000
5	2019	221,000,000
6	2020	233,000,000
7	2021	300,000,000
8	2022	300,000,000
9	2023	300,000,000
10	2024	300,000,000
11	2025	300,000,000
12	2026	300,000,000
13	2027	375,000,000
14	2028	375,000,000
15	2029	375,000,000
16	2030	375,000,000
17	2031	375,000,000
18	2032	375,000,000
19	2033	375,000,000
20	2034	375,000,000
21	2035	375,000,000
22	2036	450,000,000

23 and
24 each fiscal year
25 thereafter that bonds
26 are outstanding under

1 Section 13.2 of the
2 Metropolitan Pier and
3 Exposition Authority Act,
4 but not after fiscal year 2060.

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

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

1 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
2 under this paragraph for so long as the revenue use
3 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
4 binding on the State.

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

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

1 during the preceding fiscal year by the Audit Bureau of the
2 Department under the Use Tax Act, the Service Use Tax Act, the
3 Service Occupation Tax Act, the Retailers' Occupation Tax Act,
4 and associated local occupation and use taxes administered by
5 the Department.

6 Subject to payments of amounts into the Build Illinois
7 Fund, the McCormick Place Expansion Project Fund, the Illinois
8 Tax Increment Fund, and the Tax Compliance and Administration
9 Fund as provided in this Section, beginning on July 1, 2018 the
10 Department shall pay each month into the Downstate Public
11 Transportation Fund the moneys required to be so paid under
12 Section 2-3 of the 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 State and Local Sales Tax
5 Reform Fund, the Build Illinois Fund, the McCormick Place
6 Expansion Project Fund, the Energy Infrastructure Fund, and
7 the Tax Compliance and Administration Fund as provided in this
8 Section, the Department shall pay each month into the Road
9 Fund the amount estimated to represent 16% of the net revenue
10 realized from the taxes imposed on motor fuel and gasohol.

11 Beginning July 1, 2022 and until July 1, 2023, subject to the
12 payment of amounts into the State and Local Sales Tax Reform
13 Fund, the Build Illinois Fund, the McCormick Place Expansion
14 Project Fund, the Illinois Tax Increment Fund, and the Tax
15 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 32% of the net revenue
18 realized from the taxes imposed on motor fuel and gasohol.

19 Beginning July 1, 2023 and until July 1, 2024, 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 48% of the net revenue
26 realized from the taxes imposed on motor fuel and gasohol.

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

20 Until July 1, 2025, of the remainder of the moneys
21 received by the Department pursuant to this Act, 75% thereof
22 shall be paid into the General Revenue Fund of the State
23 treasury and 25% shall be reserved in a special account and
24 used only for the transfer to the Common School Fund as part of
25 the monthly transfer from the General Revenue Fund in
26 accordance with Section 8a of the State Finance Act. Beginning

1 July 1, 2025, of the remainder of the moneys received by the
2 Department pursuant to this Act, 75% shall be deposited into
3 the General Revenue Fund and 25% shall be deposited into the
4 Common School Fund.

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

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

16 (Source: P.A. 103-363, eff. 7-28-23; 103-592, Article 75,
17 Section 75-10, eff. 1-1-25; 103-592, Article 110, Section
18 110-10, eff. 6-7-24; 104-6, Article 5, Section 5-15, eff.
19 6-16-25; 104-6, Article 35, Section 35-25, eff. 6-16-25;
20 104-417, eff. 8-15-25; revised 9-10-25.)

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

22 Sec. 9. Each serviceman required or authorized to collect
23 the tax herein imposed shall pay to the Department the amount
24 of such tax (except as otherwise provided) at the time when he
25 is required to file his return for the period during which such

1 tax was collected, less a discount of 2.1% prior to January 1,
2 1990 and 1.75% on and after January 1, 1990, or \$5 per calendar
3 year, whichever is greater, which is allowed to reimburse the
4 serviceman for expenses incurred in collecting the tax,
5 keeping records, preparing and filing returns, remitting the
6 tax, and supplying data to the Department on request.
7 Beginning with returns due on or after January 1, 2025, the
8 vendor's discount allowed in this Section, the Retailers'
9 Occupation Tax Act, the Service Occupation Tax Act, and the
10 Use Tax Act, including any local tax administered by the
11 Department and reported on the same return, shall not exceed
12 \$1,000 per month in the aggregate. When determining the
13 discount allowed under this Section, servicemen shall include
14 the amount of tax that would have been due at the 1% rate but
15 for the 0% rate imposed under Public Act 102-700. The discount
16 under this Section is not allowed for the 1.25% portion of
17 taxes paid on aviation fuel that is subject to the revenue use
18 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
19 discount allowed under this Section is allowed only for
20 returns that are filed in the manner required by this Act. The
21 Department may disallow the discount for servicemen whose
22 certificate of registration is revoked at the time the return
23 is filed, but only if the Department's decision to revoke the
24 certificate of registration has become final. A serviceman
25 need not remit that part of any tax collected by him to the
26 extent that he is required to pay and does pay the tax imposed

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

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

1 also include the amount of tax that would have been due on the
2 items listed in the previous sentence but for the 0% rate
3 imposed under Public Act 102-700.

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

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

16 The Department may require returns to be filed on a
17 quarterly basis. If so required, a return for each calendar
18 quarter shall be filed on or before the twentieth day of the
19 calendar month following the end of such calendar quarter. The
20 taxpayer shall also file a return with the Department for each
21 of the first 2 ~~two~~ months of each calendar quarter, on or
22 before the twentieth day of the following calendar month,
23 stating:

- 24 1. The name of the seller;
- 25 2. The address of the principal place of business from
26 which he engages in business as a serviceman in this

1 State;

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

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

8 5. The amount of tax due;

9 5-5. The signature of the taxpayer; and

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

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

26 If a taxpayer fails to sign a return within 30 days after

1 the proper notice and demand for signature by the Department,
2 the return shall be considered valid and any amount shown to be
3 due on the return shall be deemed assessed.

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

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

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

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

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

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

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

23 If the serviceman is otherwise required to file a monthly
24 return and if the serviceman's average monthly tax liability
25 to the Department does not exceed \$200, the Department may
26 authorize his returns to be filed on a quarter annual basis,

1 with the return for January, February, and March of a given
2 year being due by April 20 of such year; with the return for
3 April, May, and June of a given year being due by July 20 of
4 such year; with the return for July, August, and September of a
5 given year being due by October 20 of such year, and with the
6 return for October, November, and December of a given year
7 being due by January 20 of the following year.

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

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

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

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

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

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

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

26 Where the serviceman has more than one business registered

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

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

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

20 For aviation fuel sold on or after December 1, 2019, each
21 month the Department shall pay into the State Aviation Program
22 Fund 20% of the net revenue realized for the preceding month
23 from the 6.25% general rate on the selling price of aviation
24 fuel, less an amount estimated by the Department to be
25 required for refunds of the 20% portion of the tax on aviation
26 fuel under this Act, which amount shall be deposited into the

1 Aviation Fuel Sales Tax Refund Fund. The Department shall only
2 pay moneys into the State Aviation Program Fund and the
3 Aviation Fuel Sales Tax Refund Fund under this Act for so long
4 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
5 U.S.C. 47133 are binding on the State.

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

10 Beginning July 1, 2028, each month the Department shall
11 pay into the State and Local Sales Tax Reform Fund 100% of the
12 net revenue realized for the preceding month from the 1.25%
13 rate on the selling price of building materials for qualified
14 residential developments.

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

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

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

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

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

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

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

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

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

16	Fiscal Year	Total Deposit
17	1993	\$0
18	1994	53,000,000
19	1995	58,000,000
20	1996	61,000,000
21	1997	64,000,000
22	1998	68,000,000
23	1999	71,000,000
24	2000	75,000,000
25	2001	80,000,000

1	2002	93,000,000
2	2003	99,000,000
3	2004	103,000,000
4	2005	108,000,000
5	2006	113,000,000
6	2007	119,000,000
7	2008	126,000,000
8	2009	132,000,000
9	2010	139,000,000
10	2011	146,000,000
11	2012	153,000,000
12	2013	161,000,000
13	2014	170,000,000
14	2015	179,000,000
15	2016	189,000,000
16	2017	199,000,000
17	2018	210,000,000
18	2019	221,000,000
19	2020	233,000,000
20	2021	300,000,000
21	2022	300,000,000
22	2023	300,000,000
23	2024	300,000,000
24	2025	300,000,000
25	2026	300,000,000
26	2027	375,000,000

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

10 and

11 each fiscal year

12 thereafter that bonds

13 are outstanding under

14 Section 13.2 of the

15 Metropolitan Pier and

16 Exposition Authority Act,

17 but not after fiscal year 2060.

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

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

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

18 Subject to payment of amounts into 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, beginning July 1, 1993 and ending on September 30,
22 2013, the Department shall each month pay into the Illinois
23 Tax Increment Fund 0.27% of 80% of the net revenue realized for
24 the preceding month from the 6.25% general rate on the selling
25 price of tangible personal property.

26 Subject to payment of amounts into the Build Illinois

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

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

26 Subject to successful execution and delivery of a

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

21	Fiscal Year.....	Total Deposit
22	2024	\$200,000,000
23	2025	\$206,000,000
24	2026	\$212,200,000
25	2027	\$218,500,000
26	2028	\$225,100,000

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

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

1 Project Fund, the Illinois Tax Increment Fund, and the Tax
2 Compliance and Administration Fund as provided in this
3 Section, the Department shall pay each month into the Road
4 Fund the amount estimated to represent 32% of the net revenue
5 realized from the taxes imposed on motor fuel and gasohol.
6 Beginning July 1, 2023 and until July 1, 2024, subject to the
7 payment of amounts into the State and Local Sales Tax Reform
8 Fund, the Build Illinois Fund, the McCormick Place Expansion
9 Project Fund, the Illinois Tax Increment Fund, and the Tax
10 Compliance and Administration Fund as provided in this
11 Section, the Department shall pay each month into the Road
12 Fund the amount estimated to represent 48% of the net revenue
13 realized from the taxes imposed on motor fuel and gasohol.
14 Beginning July 1, 2024 and until July 1, 2026, subject to the
15 payment of amounts into the State and Local Sales Tax Reform
16 Fund, the Build Illinois Fund, the McCormick Place Expansion
17 Project Fund, the Illinois Tax Increment Fund, and the Tax
18 Compliance and Administration Fund as provided in this
19 Section, the Department shall pay each month into the Road
20 Fund the amount estimated to represent 64% of the net revenue
21 realized from the taxes imposed on motor fuel and gasohol.
22 Beginning on July 1, 2026, subject to the payment of amounts
23 into the State and Local Sales Tax Reform Fund, the Build
24 Illinois Fund, the McCormick Place Expansion Project Fund, the
25 Illinois Tax Increment Fund, and the Tax Compliance and
26 Administration Fund as provided in this Section, the

1 Department shall pay each month into the Public Transportation
2 Fund and the Downstate Public Transportation Fund the amount
3 estimated to represent 80% of the net revenue realized from
4 the taxes imposed on motor fuel and gasohol. Those moneys
5 shall be apportioned as follows: 85% into the Public
6 Transportation Fund and 15% into the Downstate Public
7 Transportation Fund. As used in this paragraph "motor fuel"
8 has the meaning given to that term in Section 1.1 of the Motor
9 Fuel Tax Law, and "gasohol" has the meaning given to that term
10 in Section 3-40 of the Use Tax Act.

11 Until July 1, 2025, of the remainder of the moneys
12 received by the Department pursuant to this Act, 75% thereof
13 shall be paid into the General Revenue Fund of the State
14 treasury and 25% shall be reserved in a special account and
15 used only for the transfer to the Common School Fund as part of
16 the monthly transfer from the General Revenue Fund in
17 accordance with Section 8a of the State Finance Act. Beginning
18 July 1, 2025, of the remainder of the moneys received by the
19 Department pursuant to this Act, 75% shall be deposited into
20 the General Revenue Fund and 25% shall be deposited into the
21 Common School Fund.

22 As soon as possible after the first day of each month, upon
23 certification of the Department of Revenue, the Comptroller
24 shall order transferred and the Treasurer shall transfer from
25 the General Revenue Fund to the Motor Fuel Tax Fund an amount
26 equal to 1.7% of 80% of the net revenue realized under this Act

1 for the second preceding month. Beginning April 1, 2000, this
2 transfer is no longer required and shall not be made.

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

7 (Source: P.A. 103-363, eff. 7-28-23; 103-592, Article 75,
8 Section 75-10, eff. 1-1-25; 103-592, Article 110, Section
9 110-10, eff. 6-7-24; 104-6, Article 5, Section 5-15, eff.
10 6-16-25; 104-6, Article 35, Section 35-25, eff. 6-16-25;
11 104-417, eff. 8-15-25; 104-457, eff. 6-1-26; revised 1-12-26.)

12 (35 ILCS 110/12) (from Ch. 120, par. 439.42)

13 Sec. 12. Applicability of Retailers' Occupation Tax Act
14 and Uniform Penalty and Interest Act. All of the provisions of
15 Sections 1d, 1e, 1f, 1i, 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12,
16 2-29, 2-54, 2a, 2b, 2c, 3 (except as to the disposition by the
17 Department of the money collected under this Act), 4 (except
18 that the time limitation provisions shall run from the date
19 when gross receipts are received), 5 (except that the time
20 limitation provisions on the issuance of notices of tax
21 liability shall run from the date when the tax is due rather
22 than from the date when gross receipts are received and except
23 that in the case of a failure to file a return required by this
24 Act, no notice of tax liability shall be issued on and after
25 July 1 and January 1 covering tax due with that return during

1 any month or period more than 6 years before that July 1 or
2 January 1, respectively), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k,
3 5l, 5m, 5n, 5o, 6d, 7, 8, 9, 10, 11 and 12 of the Retailers'
4 Occupation Tax Act which are not inconsistent with this Act,
5 and Section 3-7 of the Uniform Penalty and Interest Act, shall
6 apply, as far as practicable, to the subject matter of this Act
7 to the same extent as if such provisions were included herein.
8 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
9 103-595, eff. 6-26-24.)

10 Section 50. The Service Occupation Tax Act is amended by
11 changing Sections 3-10, 9, and 12 as follows:

12 (35 ILCS 115/3-10)

13 Sec. 3-10. Rate of tax. Unless otherwise provided in this
14 Section, the tax imposed by this Act is at the rate of 6.25% of
15 the "selling price", as defined in Section 2 of the Service Use
16 Tax Act, of the tangible personal property, including, on and
17 after January 1, 2025, tangible personal property transferred
18 by lease. For the purpose of computing this tax, in no event
19 shall the "selling price" be less than the cost price to the
20 serviceman of the tangible personal property transferred. The
21 selling price of each item of tangible personal property
22 transferred as an incident of a sale of service may be shown as
23 a distinct and separate item on the serviceman's billing to
24 the service customer. If the selling price is not so shown, the

1 selling price of the tangible personal property is deemed to
2 be 50% of the serviceman's entire billing to the service
3 customer. When, however, a serviceman contracts to design,
4 develop, and produce special order machinery or equipment, the
5 tax imposed by this Act shall be based on the serviceman's cost
6 price of the tangible personal property transferred incident
7 to the completion of the contract.

8 Beginning July 1, 2028, with respect to building materials
9 used in a qualified residential development, as defined in
10 Section 605-1121 of the Department of Commerce and Economic
11 Opportunity Law of the Civil Administrative Code of Illinois,
12 the tax is imposed at the rate of 1.25%.

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

17 With respect to gasohol, as defined in the Use Tax Act, the
18 tax imposed by this Act shall apply to (i) 70% of the cost
19 price of property transferred as an incident to the sale of
20 service on or after January 1, 1990, and before July 1, 2003,
21 (ii) 80% of the selling price of property transferred as an
22 incident to the sale of service on or after July 1, 2003 and on
23 or before July 1, 2017, (iii) 100% of the selling price of
24 property transferred as an incident to the sale of service
25 after July 1, 2017 and prior to January 1, 2024, (iv) 90% of
26 the selling price of property transferred as an incident to

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

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

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

1 With respect to biodiesel blends, as defined in the Use
2 Tax Act, with no less than 1% and no more than 10% biodiesel,
3 the tax imposed by this Act applies to (i) 80% of the selling
4 price of property transferred as an incident to the sale of
5 service on or after July 1, 2003 and on or before December 31,
6 2018 and (ii) 100% of the proceeds of the selling price after
7 December 31, 2018 and before January 1, 2024. On and after
8 January 1, 2024 and on or before December 31, 2030, the
9 taxation of biodiesel, renewable diesel, and biodiesel blends
10 shall be as provided in Section 3-5.1 of the Use Tax Act. If,
11 at any time, however, the tax under this Act on sales of
12 biodiesel blends, as defined in the Use Tax Act, with no less
13 than 1% and no more than 10% biodiesel is imposed at the rate
14 of 1.25%, then the tax imposed by this Act applies to 100% of
15 the proceeds of sales of biodiesel blends with no less than 1%
16 and no more than 10% biodiesel made during that time.

17 With respect to biodiesel, as defined in the Use Tax Act,
18 and biodiesel blends, as defined in the Use Tax Act, with more
19 than 10% but no more than 99% biodiesel material, the tax
20 imposed by this Act does not apply to the proceeds of the
21 selling price of property transferred as an incident to the
22 sale of service on or after July 1, 2003 and on or before
23 December 31, 2023. On and after January 1, 2024 and on or
24 before December 31, 2030, the taxation of biodiesel, renewable
25 diesel, and biodiesel blends shall be as provided in Section
26 3-5.1 of the Use Tax Act.

1 At the election of any registered serviceman made for each
2 fiscal year, for whom the aggregate annual cost price of
3 tangible personal property transferred as an incident to the
4 sales of service is less than 35%, or 75% in the case of
5 servicemen transferring prescription drugs or servicemen
6 engaged in graphic arts production, of the aggregate annual
7 total gross receipts from all sales of service, the tax
8 imposed by this Act shall be based on the serviceman's cost
9 price of the tangible personal property transferred incident
10 to the sale of those services. This election may also be made
11 by a serviceman maintaining a place of business in this State
12 who makes retail sales from outside of this State to Illinois
13 customers but is not required to be registered under Section
14 2a of the Retailers' Occupation Tax Act. Beginning January 1,
15 2026, this election shall not apply to any sale of service made
16 through a marketplace that has met the threshold in subsection
17 (d) of Section 3 of this Act.

18 Beginning January 1, 2026, the tax shall be imposed at the
19 rate of 6.25% of 50% of the entire billing to the service
20 customer for all sales of service made through a marketplace
21 that has met the threshold in subsection (d) of Section 3 of
22 this Act. In no event shall 50% of the entire billing be less
23 than the cost price of the property to the marketplace
24 serviceman or the marketplace facilitator on its own sales of
25 service.

26 Until July 1, 2022 and from July 1, 2023 through December

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

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

1 until July 1, 2023, the tax shall also be imposed at the rate
2 of 0% on food for human consumption that is to be consumed off
3 the premises where it is sold (other than alcoholic beverages,
4 food consisting of or infused with adult use cannabis, soft
5 drinks, and food that has been prepared for immediate
6 consumption and is not otherwise included in this paragraph).

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

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

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

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

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

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

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

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

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

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

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

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

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

20 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
21 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-6, eff.
22 6-16-25; 104-417, eff. 8-15-25.)

23 (35 ILCS 115/9) (from Ch. 120, par. 439.109)

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

25 Sec. 9. Each serviceman required or authorized to collect

1 the tax herein imposed shall pay to the Department the amount
2 of such tax at the time when he is required to file his return
3 for the period during which such tax was collectible, less a
4 discount of 2.1% prior to January 1, 1990, and 1.75% on and
5 after January 1, 1990, or \$5 per calendar year, whichever is
6 greater, which is allowed to reimburse the serviceman for
7 expenses incurred in collecting the tax, keeping records,
8 preparing and filing returns, remitting the tax, and supplying
9 data to the Department on request. On and after January 1,
10 2026, a certified service provider, as defined in the Leveling
11 the Playing Field for Illinois Retail Act, filing the return
12 under this Section on behalf of a serviceman maintaining a
13 place of business in this State shall, at the time of such
14 return, pay to the Department the amount of tax imposed by this
15 Act less a discount of 1.75%, not to exceed \$1,000 ~~\$1000~~ per
16 month as provided in this Section. A serviceman maintaining a
17 place of business in this State using a certified service
18 provider to file a return on its behalf, as provided in the
19 Leveling the Playing Field for Illinois Retail Act, is not
20 eligible for the discount. Beginning with returns due on or
21 after January 1, 2025, the vendor's discount allowed in this
22 Section, the Retailers' Occupation Tax Act, the Use Tax Act,
23 and the Service Use Tax Act, including any local tax
24 administered by the Department and reported on the same
25 return, shall not exceed \$1,000 per month in the aggregate.
26 When determining the discount allowed under this Section,

1 servicemen shall include the amount of tax that would have
2 been due at the 1% rate but for the 0% rate imposed under
3 Public Act 102-700. The discount under this Section is not
4 allowed for the 1.25% portion of taxes paid on aviation fuel
5 that is subject to the revenue use requirements of 49 U.S.C.
6 47107(b) and 49 U.S.C. 47133. The discount allowed under this
7 Section is allowed only for returns that are filed in the
8 manner required by this Act. The Department may disallow the
9 discount for servicemen whose certificate of registration is
10 revoked at the time the return is filed, but only if the
11 Department's decision to revoke the certificate of
12 registration has become final.

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

21 Except as provided hereinafter in this Section, on or
22 before the twentieth day of each calendar month, such
23 serviceman shall file a return for the preceding calendar
24 month in accordance with reasonable rules and regulations to
25 be promulgated by the Department of Revenue. Such return shall
26 be filed on a form prescribed by the Department and shall

1 contain such information as the Department may reasonably
2 require. The return shall include the gross receipts which
3 were received during the preceding calendar month or quarter
4 on the following items upon which tax would have been due but
5 for the 0% rate imposed under Public Act 102-700: (i) food for
6 human consumption that is to be consumed off the premises
7 where it is sold (other than alcoholic beverages, food
8 consisting of or infused with adult use cannabis, soft drinks,
9 and food that has been prepared for immediate consumption);
10 and (ii) food prepared for immediate consumption and
11 transferred incident to a sale of service subject to this Act
12 or the Service Use Tax Act by an entity licensed under the
13 Hospital Licensing Act, the Nursing Home Care Act, the
14 Assisted Living and Shared Housing Act, the ID/DD Community
15 Care Act, the MC/DD Act, the Specialized Mental Health
16 Rehabilitation Act of 2013, or the Child Care Act of 1969, or
17 an entity that holds a permit issued pursuant to the Life Care
18 Facilities Act. The return shall also include the amount of
19 tax that would have been due on the items listed in the
20 previous sentence but for the 0% rate imposed under Public Act
21 102-700.

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

1 filing electronically may petition the Department to waive the
2 electronic filing requirement.

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

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

25 Each serviceman required or authorized to collect the tax
26 herein imposed on aviation fuel acquired as an incident to the

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

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

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

22 Prior to October 1, 2003, and on and after September 1,
23 2004 a serviceman may accept a Manufacturer's Purchase Credit
24 certification from a purchaser in satisfaction of Service Use
25 Tax as provided in Section 3-70 of the Service Use Tax Act if
26 the purchaser provides the appropriate documentation as

1 required by Section 3-70 of the Service Use Tax Act. A
2 Manufacturer's Purchase Credit certification, accepted prior
3 to October 1, 2003 or on or after September 1, 2004 by a
4 serviceman as provided in Section 3-70 of the Service Use Tax
5 Act, may be used by that serviceman to satisfy Service
6 Occupation Tax liability in the amount claimed in the
7 certification, not to exceed 6.25% of the receipts subject to
8 tax from a qualifying purchase. A Manufacturer's Purchase
9 Credit reported on any original or amended return filed under
10 this Act after October 20, 2003 for reporting periods prior to
11 September 1, 2004 shall be disallowed. Manufacturer's Purchase
12 Credit reported on annual returns due on or after January 1,
13 2005 will be disallowed for periods prior to September 1,
14 2004. No Manufacturer's Purchase Credit may be used after
15 September 30, 2003 through August 31, 2004 to satisfy any tax
16 liability imposed under this Act, including any audit
17 liability.

18 Beginning on July 1, 2023 and through December 31, 2032, a
19 serviceman may accept a Sustainable Aviation Fuel Purchase
20 Credit certification from an air common carrier-purchaser in
21 satisfaction of Service Use Tax as provided in Section 3-72 of
22 the Service Use Tax Act if the purchaser provides the
23 appropriate documentation as required by Section 3-72 of the
24 Service Use Tax Act. A Sustainable Aviation Fuel Purchase
25 Credit certification accepted by a serviceman in accordance
26 with this paragraph may be used by that serviceman to satisfy

1 service occupation tax liability (but not in satisfaction of
2 penalty or interest) in the amount claimed in the
3 certification, not to exceed 6.25% of the receipts subject to
4 tax from a sale of aviation fuel. In addition, for a sale of
5 aviation fuel to qualify to earn the Sustainable Aviation Fuel
6 Purchase Credit, servicemen must retain in their books and
7 records a certification from the producer of the aviation fuel
8 that the aviation fuel sold by the serviceman and for which a
9 sustainable aviation fuel purchase credit was earned meets the
10 definition of sustainable aviation fuel under Section 3-72 of
11 the Service Use Tax Act. The documentation must include detail
12 sufficient for the Department to determine the number of
13 gallons of sustainable aviation fuel sold.

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

24 If the serviceman's average monthly tax liability to the
25 Department does not exceed \$50, the Department may authorize
26 his returns to be filed on an annual basis, with the return for

1 a given year being due by January 20 of the following year.

2 Such quarter annual and annual returns, as to form and
3 substance, shall be subject to the same requirements as
4 monthly returns.

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

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

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

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

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

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

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

26 Where a serviceman collects the tax with respect to the

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

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

24 Where the serviceman has more than one business registered
25 with the Department under separate registrations hereunder,
26 such serviceman shall file separate returns for each

1 registered business.

2 The net revenue realized at the 15% rate under either
3 Section 4 or Section 5 of the Retailers' Occupation Tax Act, as
4 incorporated into this Act by Section 12, shall be deposited
5 as follows: (i) notwithstanding the provisions of this Section
6 to the contrary, the net revenue realized from the portion of
7 the rate in excess of 5% shall be deposited into the State and
8 Local Sales Tax Reform Fund; and (ii) the net revenue realized
9 from the 5% portion of the rate shall be deposited as provided
10 in this Section for the 5% portion of the 6.25% general rate
11 imposed under this Act.

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

15 Beginning January 1, 1990, each month the Department shall
16 pay into the County and Mass Transit District Fund 4% of the
17 revenue realized for the preceding month from the 6.25%
18 general rate on sales of tangible personal property other than
19 aviation fuel sold on or after December 1, 2019. This
20 exception for aviation fuel only applies for so long as the
21 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
22 47133 are binding on the State.

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

1 Beginning July 1, 2028, each month the Department shall
2 pay into the County and Mass Transit District Fund 20% of the
3 net revenue realized for the preceding month from the 1.25%
4 rate on the selling price of qualified residential development
5 building materials.

6 Beginning July 1, 2028, each month the Department shall
7 pay into the Local Government Tax Fund 80% of the net revenue
8 realized for the preceding month from the 1.25% rate on the
9 selling price of qualified residential development building
10 materials.

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

19 For aviation fuel sold on or after December 1, 2019, each
20 month the Department shall pay into the State Aviation Program
21 Fund 20% of the net revenue realized for the preceding month
22 from the 6.25% general rate on the selling price of aviation
23 fuel, less an amount estimated by the Department to be
24 required for refunds of the 20% portion of the tax on aviation
25 fuel under this Act, which amount shall be deposited into the
26 Aviation Fuel Sales Tax Refund Fund. The Department shall only

1 pay moneys into the State Aviation Program Fund and the
2 Aviation Fuel Sales Tax Refund Fund under this Act for so long
3 as the revenue use requirements of 49 U.S.C. 47107(b) and 49
4 U.S.C. 47133 are binding on the State.

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

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

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

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

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

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

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

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

24 Subject to payment of amounts into the Build Illinois Fund
25 as provided in the preceding paragraph or in any amendment
26 thereto hereafter enacted, the following specified monthly

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

10	Fiscal Year	Total Deposit
11	1993	\$0
12	1994	53,000,000
13	1995	58,000,000
14	1996	61,000,000
15	1997	64,000,000
16	1998	68,000,000
17	1999	71,000,000
18	2000	75,000,000
19	2001	80,000,000
20	2002	93,000,000
21	2003	99,000,000
22	2004	103,000,000
23	2005	108,000,000
24	2006	113,000,000
25	2007	119,000,000

1	2008	126,000,000
2	2009	132,000,000
3	2010	139,000,000
4	2011	146,000,000
5	2012	153,000,000
6	2013	161,000,000
7	2014	170,000,000
8	2015	179,000,000
9	2016	189,000,000
10	2017	199,000,000
11	2018	210,000,000
12	2019	221,000,000
13	2020	233,000,000
14	2021	300,000,000
15	2022	300,000,000
16	2023	300,000,000
17	2024	300,000,000
18	2025	300,000,000
19	2026	300,000,000
20	2027	375,000,000
21	2028	375,000,000
22	2029	375,000,000
23	2030	375,000,000
24	2031	375,000,000
25	2032	375,000,000
26	2033	375,000,000

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

4 and

5 each fiscal year

6 thereafter that bonds

7 are outstanding under

8 Section 13.2 of the

9 Metropolitan Pier and

10 Exposition Authority Act,

11 but not after fiscal year 2060.

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

25 Subject to payment of amounts into the Capital Projects
26 Fund, the Build Illinois Fund, and the McCormick Place

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

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

19 Subject to payment of amounts into the Build Illinois
20 Fund, the McCormick Place Expansion Project Fund, and the
21 Illinois Tax Increment Fund pursuant to the preceding
22 paragraphs or in any amendments to this Section hereafter
23 enacted, beginning on the first day of the first calendar
24 month to occur on or after August 26, 2014 (the effective date
25 of Public Act 98-1098), each month, from the collections made
26 under Section 9 of the Use Tax Act, Section 9 of the Service

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

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

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

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

14	Fiscal Year.....	Total Deposit
15	2024	\$200,000,000
16	2025	\$206,000,000
17	2026	\$212,200,000
18	2027	\$218,500,000
19	2028	\$225,100,000
20	2029	\$288,700,000
21	2030	\$298,900,000
22	2031	\$309,300,000
23	2032	\$320,100,000
24	2033	\$331,200,000
25	2034	\$341,200,000
26	2035	\$351,400,000

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

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

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

1 Tax Law, and "gasohol" has the meaning given to that term in
2 Section 3-40 of the Use Tax Act.

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

14 The Department may, upon separate written notice to a
15 taxpayer, require the taxpayer to prepare and file with the
16 Department on a form prescribed by the Department within not
17 less than 60 days after receipt of the notice an annual
18 information return for the tax year specified in the notice.
19 Such annual return to the Department shall include a statement
20 of gross receipts as shown by the taxpayer's last federal
21 income tax return. If the total receipts of the business as
22 reported in the federal income tax return do not agree with the
23 gross receipts reported to the Department of Revenue for the
24 same period, the taxpayer shall attach to his annual return a
25 schedule showing a reconciliation of the 2 amounts and the
26 reasons for the difference. The taxpayer's annual return to

1 the Department shall also disclose the cost of goods sold by
2 the taxpayer during the year covered by such return, opening
3 and closing inventories of such goods for such year, cost of
4 goods used from stock or taken from stock and given away by the
5 taxpayer during such year, payroll ~~pay roll~~ information of the
6 taxpayer's business during such year and any additional
7 reasonable information which the Department deems would be
8 helpful in determining the accuracy of the monthly, quarterly
9 or annual returns filed by such taxpayer as hereinbefore
10 provided for in this Section.

11 If the annual information return required by this Section
12 is not filed when and as required, the taxpayer shall be liable
13 as follows:

14 (i) Until January 1, 1994, the taxpayer shall be
15 liable for a penalty equal to 1/6 of 1% of the tax due from
16 such taxpayer under this Act during the period to be
17 covered by the annual return for each month or fraction of
18 a month until such return is filed as required, the
19 penalty to be assessed and collected in the same manner as
20 any other penalty provided for in this Act.

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

24 The chief executive officer, proprietor, owner, or highest
25 ranking manager shall sign the annual return to certify the
26 accuracy of the information contained therein. Any person who

1 willfully signs the annual return containing false or
2 inaccurate information shall be guilty of perjury and punished
3 accordingly. The annual return form prescribed by the
4 Department shall include a warning that the person signing the
5 return may be liable for perjury.

6 The foregoing portion of this Section concerning the
7 filing of an annual information return shall not apply to a
8 serviceman who is not required to file an income tax return
9 with the United States Government.

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

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

21 For greater simplicity of administration, it shall be
22 permissible for manufacturers, importers and wholesalers whose
23 products are sold by numerous servicemen in Illinois, and who
24 wish to do so, to assume the responsibility for accounting and
25 paying to the Department all tax accruing under this Act with
26 respect to such sales, if the servicemen who are affected do

1 not make written objection to the Department to this
2 arrangement.

3 (Source: P.A. 103-9, eff. 6-7-23; 103-363, eff. 7-28-23;
4 103-592, eff. 6-7-24; 103-605, eff. 7-1-24; 104-6, Article 5,
5 Section 5-20, eff. 6-16-25; 104-6, Article 25, Section 25-15,
6 eff. 6-16-25; 104-6, Article 35, Section 35-30, eff. 6-16-25;
7 revised 1-12-26.)

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

9 Sec. 9. Each serviceman required or authorized to collect
10 the tax herein imposed shall pay to the Department the amount
11 of such tax at the time when he is required to file his return
12 for the period during which such tax was collectible, less a
13 discount of 2.1% prior to January 1, 1990, and 1.75% on and
14 after January 1, 1990, or \$5 per calendar year, whichever is
15 greater, which is allowed to reimburse the serviceman for
16 expenses incurred in collecting the tax, keeping records,
17 preparing and filing returns, remitting the tax, and supplying
18 data to the Department on request. On and after January 1,
19 2026, a certified service provider, as defined in the Leveling
20 the Playing Field for Illinois Retail Act, filing the return
21 under this Section on behalf of a serviceman maintaining a
22 place of business in this State shall, at the time of such
23 return, pay to the Department the amount of tax imposed by this
24 Act less a discount of 1.75%, not to exceed \$1,000 per month as
25 provided in this Section. A serviceman maintaining a place of

1 business in this State using a certified service provider to
2 file a return on its behalf, as provided in the Leveling the
3 Playing Field for Illinois Retail Act, is not eligible for the
4 discount. Beginning with returns due on or after January 1,
5 2025, the vendor's discount allowed in this Section, the
6 Retailers' Occupation Tax Act, the Use Tax Act, and the
7 Service Use Tax Act, including any local tax administered by
8 the Department and reported on the same return, shall not
9 exceed \$1,000 per month in the aggregate. When determining the
10 discount allowed under this Section, servicemen shall include
11 the amount of tax that would have been due at the 1% rate but
12 for the 0% rate imposed under Public Act 102-700. The discount
13 under this Section is not allowed for the 1.25% portion of
14 taxes paid on aviation fuel that is subject to the revenue use
15 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133. The
16 discount allowed under this Section is allowed only for
17 returns that are filed in the manner required by this Act. The
18 Department may disallow the discount for servicemen whose
19 certificate of registration is revoked at the time the return
20 is filed, but only if the Department's decision to revoke the
21 certificate of registration has become final.

22 Where such tangible personal property is sold under a
23 conditional sales contract, or under any other form of sale
24 wherein the payment of the principal sum, or a part thereof, is
25 extended beyond the close of the period for which the return is
26 filed, the serviceman, in collecting the tax may collect, for

1 each tax return period, only the tax applicable to the part of
2 the selling price actually received during such tax return
3 period.

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

1 Facilities Act. The return shall also include the amount of
2 tax that would have been due on the items listed in the
3 previous sentence but for the 0% rate imposed under Public Act
4 102-700.

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

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

- 19 1. The name of the seller;
- 20 2. The address of the principal place of business from
21 which he engages in business as a serviceman in this
22 State;
- 23 3. The total amount of taxable receipts received by
24 him during the preceding calendar month, including
25 receipts from charge and time sales, but less all
26 deductions allowed by law;

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

3 5. The amount of tax due;

4 5-5. The signature of the taxpayer; and

5 6. Such other reasonable information as the Department
6 may require.

7 Each serviceman required or authorized to collect the tax
8 herein imposed on aviation fuel acquired as an incident to the
9 purchase of a service in this State during the preceding
10 calendar month shall, instead of reporting and paying tax as
11 otherwise required by this Section, report and pay such tax on
12 a separate aviation fuel tax return. The requirements related
13 to the return shall be as otherwise provided in this Section.
14 Notwithstanding any other provisions of this Act to the
15 contrary, servicemen transferring aviation fuel incident to
16 sales of service shall file all aviation fuel tax returns and
17 shall make all aviation fuel tax payments by electronic means
18 in the manner and form required by the Department. For
19 purposes of this Section, "aviation fuel" means jet fuel and
20 aviation gasoline.

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

25 Notwithstanding any other provision of this Act to the
26 contrary, servicemen subject to tax on cannabis shall file all

1 cannabis tax returns and shall make all cannabis tax payments
2 by electronic means in the manner and form required by the
3 Department.

4 Prior to October 1, 2003, and on and after September 1,
5 2004 a serviceman may accept a Manufacturer's Purchase Credit
6 certification from a purchaser in satisfaction of Service Use
7 Tax as provided in Section 3-70 of the Service Use Tax Act if
8 the purchaser provides the appropriate documentation as
9 required by Section 3-70 of the Service Use Tax Act. A
10 Manufacturer's Purchase Credit certification, accepted prior
11 to October 1, 2003 or on or after September 1, 2004 by a
12 serviceman as provided in Section 3-70 of the Service Use Tax
13 Act, may be used by that serviceman to satisfy Service
14 Occupation Tax liability in the amount claimed in the
15 certification, not to exceed 6.25% of the receipts subject to
16 tax from a qualifying purchase. A Manufacturer's Purchase
17 Credit reported on any original or amended return filed under
18 this Act after October 20, 2003 for reporting periods prior to
19 September 1, 2004 shall be disallowed. Manufacturer's Purchase
20 Credit reported on annual returns due on or after January 1,
21 2005 will be disallowed for periods prior to September 1,
22 2004. No Manufacturer's Purchase Credit may be used after
23 September 30, 2003 through August 31, 2004 to satisfy any tax
24 liability imposed under this Act, including any audit
25 liability.

26 Beginning on July 1, 2023 and through December 31, 2032, a

1 serviceman may accept a Sustainable Aviation Fuel Purchase
2 Credit certification from an air common carrier-purchaser in
3 satisfaction of Service Use Tax as provided in Section 3-72 of
4 the Service Use Tax Act if the purchaser provides the
5 appropriate documentation as required by Section 3-72 of the
6 Service Use Tax Act. A Sustainable Aviation Fuel Purchase
7 Credit certification accepted by a serviceman in accordance
8 with this paragraph may be used by that serviceman to satisfy
9 service occupation tax liability (but not in satisfaction of
10 penalty or interest) in the amount claimed in the
11 certification, not to exceed 6.25% of the receipts subject to
12 tax from a sale of aviation fuel. In addition, for a sale of
13 aviation fuel to qualify to earn the Sustainable Aviation Fuel
14 Purchase Credit, servicemen must retain in their books and
15 records a certification from the producer of the aviation fuel
16 that the aviation fuel sold by the serviceman and for which a
17 sustainable aviation fuel purchase credit was earned meets the
18 definition of sustainable aviation fuel under Section 3-72 of
19 the Service Use Tax Act. The documentation must include detail
20 sufficient for the Department to determine the number of
21 gallons of sustainable aviation fuel sold.

22 If the serviceman's average monthly tax liability to the
23 Department does not exceed \$200, the Department may authorize
24 his returns to be filed on a quarter annual basis, with the
25 return for January, February, and March of a given year being
26 due by April 20 of such year; with the return for April, May,

1 and June of a given year being due by July 20 of such year;
2 with the return for July, August, and September of a given year
3 being due by October 20 of such year, and with the return for
4 October, November, and December of a given year being due by
5 January 20 of the following year.

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

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as
12 monthly returns.

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

20 Beginning October 1, 1993, a taxpayer who has an average
21 monthly tax liability of \$150,000 or more shall make all
22 payments required by rules of the Department by electronic
23 funds transfer. Beginning October 1, 1994, a taxpayer who has
24 an average monthly tax liability of \$100,000 or more shall
25 make all payments required by rules of the Department by
26 electronic funds transfer. Beginning October 1, 1995, a

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

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

24 Any taxpayer not required to make payments by electronic
25 funds transfer may make payments by electronic funds transfer
26 with the permission of the Department.

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

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

8 Where a serviceman collects the tax with respect to the
9 selling price of tangible personal property which he sells and
10 the purchaser thereafter returns such tangible personal
11 property and the serviceman refunds the selling price thereof
12 to the purchaser, such serviceman shall also refund, to the
13 purchaser, the tax so collected from the purchaser. When
14 filing his return for the period in which he refunds such tax
15 to the purchaser, the serviceman may deduct the amount of the
16 tax so refunded by him to the purchaser from any other Service
17 Occupation Tax, Service Use Tax, Retailers' Occupation Tax, or
18 Use Tax which such serviceman may be required to pay or remit
19 to the Department, as shown by such return, provided that the
20 amount of the tax to be deducted shall previously have been
21 remitted to the Department by such serviceman. If the
22 serviceman shall not previously have remitted the amount of
23 such tax to the Department, he shall be entitled to no
24 deduction hereunder upon refunding such tax to the purchaser.

25 If experience indicates such action to be practicable, the
26 Department may prescribe and furnish a combination or joint

1 return which will enable servicemen, who are required to file
2 returns hereunder and also under the Retailers' Occupation Tax
3 Act, the Use Tax Act, or the Service Use Tax Act, to furnish
4 all the return information required by all said Acts on the one
5 form.

6 Where the serviceman has more than one business registered
7 with the Department under separate registrations hereunder,
8 such serviceman shall file separate returns for each
9 registered business.

10 The net revenue realized at the 15% rate under either
11 Section 4 or Section 5 of the Retailers' Occupation Tax Act, as
12 incorporated into this Act by Section 12, shall be deposited
13 as follows: (i) notwithstanding the provisions of this Section
14 to the contrary, the net revenue realized from the portion of
15 the rate in excess of 5% shall be deposited into the State and
16 Local Sales Tax Reform Fund; and (ii) the net revenue realized
17 from the 5% portion of the rate shall be deposited as provided
18 in this Section for the 5% portion of the 6.25% general rate
19 imposed under this Act.

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

23 Beginning January 1, 1990, each month the Department shall
24 pay into the County and Mass Transit District Fund 4% of the
25 revenue realized for the preceding month from the 6.25%
26 general rate on sales of tangible personal property other than

1 aviation fuel sold on or after December 1, 2019. This
2 exception for aviation fuel only applies for so long as the
3 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
4 47133 are binding on the State.

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

9 Beginning July 1, 2028, each month the Department shall
10 pay into the County and Mass Transit Fund 20% of the net
11 revenue realized for the preceding month from the 1.25% rate
12 on the selling price of qualified residential development
13 building materials.

14 Beginning July 1, 2028, each month the Department shall
15 pay into the Local Government Tax Fund 80% of the net revenue
16 realized for the preceding month from the 1.25% rate on the
17 selling price of qualified residential development building
18 materials.

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

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

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

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

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

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

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

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

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

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

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

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

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

1	2000	75,000,000
2	2001	80,000,000
3	2002	93,000,000
4	2003	99,000,000
5	2004	103,000,000
6	2005	108,000,000
7	2006	113,000,000
8	2007	119,000,000
9	2008	126,000,000
10	2009	132,000,000
11	2010	139,000,000
12	2011	146,000,000
13	2012	153,000,000
14	2013	161,000,000
15	2014	170,000,000
16	2015	179,000,000
17	2016	189,000,000
18	2017	199,000,000
19	2018	210,000,000
20	2019	221,000,000
21	2020	233,000,000
22	2021	300,000,000
23	2022	300,000,000
24	2023	300,000,000
25	2024	300,000,000
26	2025	300,000,000

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

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

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

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

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

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

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

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

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

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

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

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

1 into the County and Mass Transit District Fund, the Local
2 Government Tax Fund, the Build Illinois Fund, the McCormick
3 Place Expansion Project Fund, the Illinois Tax Increment Fund,
4 and the Tax Compliance and Administration Fund as provided in
5 this Section, the Department shall pay each month into the
6 Road Fund the amount estimated to represent 32% of the net
7 revenue realized from the taxes imposed on motor fuel and
8 gasohol. Beginning July 1, 2023 and until July 1, 2024,
9 subject to the payment of amounts into the County and Mass
10 Transit District Fund, the Local Government Tax Fund, the
11 Build Illinois Fund, the McCormick Place Expansion Project
12 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
13 and Administration Fund as provided in this Section, the
14 Department shall pay each month into the Road Fund the amount
15 estimated to represent 48% of the net revenue realized from
16 the taxes imposed on motor fuel and gasohol. Beginning July 1,
17 2024 and until July 1, 2026, subject to the payment of amounts
18 into the County and Mass Transit District Fund, the Local
19 Government Tax Fund, the Build Illinois Fund, the McCormick
20 Place Expansion Project Fund, the Illinois Tax Increment Fund,
21 and the Tax Compliance and Administration Fund as provided in
22 this Section, the Department shall pay each month into the
23 Road Fund the amount estimated to represent 64% of the net
24 revenue realized from the taxes imposed on motor fuel and
25 gasohol. Beginning on July 1, 2026, subject to the payment of
26 amounts into the County and Mass Transit District Fund, the

1 Local Government Tax Fund, the Build Illinois Fund, the
2 McCormick Place Expansion Project Fund, the Illinois Tax
3 Increment Fund, and the Tax Compliance and Administration Fund
4 as provided in this Section, the Department shall pay each
5 month into the Public Transportation Fund and the Downstate
6 Public Transportation Fund the amount estimated to represent
7 80% of the net revenue realized from the taxes imposed on motor
8 fuel and gasohol. Those moneys shall be apportioned as
9 follows: 85% into the Public Transportation Fund and 15% into
10 the Downstate Public Transportation Fund. As used in this
11 paragraph "motor fuel" has the meaning given to that term in
12 Section 1.1 of the Motor Fuel Tax Law, and "gasohol" has the
13 meaning given to that term in Section 3-40 of the Use Tax Act.

14 Until July 1, 2025, of the remainder of the moneys
15 received by the Department pursuant to this Act, 75% shall be
16 paid into the General Revenue Fund of the State treasury and
17 25% shall be reserved in a special account and used only for
18 the transfer to the Common School Fund as part of the monthly
19 transfer from the General Revenue Fund in accordance with
20 Section 8a of the State Finance Act. Beginning July 1, 2025, of
21 the remainder of the moneys received by the Department
22 pursuant to this Act, 75% shall be deposited into the General
23 Revenue Fund and 25% shall be deposited into the Common School
24 Fund.

25 The Department may, upon separate written notice to a
26 taxpayer, require the taxpayer to prepare and file with the

1 Department on a form prescribed by the Department within not
2 less than 60 days after receipt of the notice an annual
3 information return for the tax year specified in the notice.
4 Such annual return to the Department shall include a statement
5 of gross receipts as shown by the taxpayer's last federal
6 income tax return. If the total receipts of the business as
7 reported in the federal income tax return do not agree with the
8 gross receipts reported to the Department of Revenue for the
9 same period, the taxpayer shall attach to his annual return a
10 schedule showing a reconciliation of the 2 amounts and the
11 reasons for the difference. The taxpayer's annual return to
12 the Department shall also disclose the cost of goods sold by
13 the taxpayer during the year covered by such return, opening
14 and closing inventories of such goods for such year, cost of
15 goods used from stock or taken from stock and given away by the
16 taxpayer during such year, payroll information of the
17 taxpayer's business during such year and any additional
18 reasonable information which the Department deems would be
19 helpful in determining the accuracy of the monthly, quarterly
20 or annual returns filed by such taxpayer as hereinbefore
21 provided for in this Section.

22 If the annual information return required by this Section
23 is not filed when and as required, the taxpayer shall be liable
24 as follows:

- 25 (i) Until January 1, 1994, the taxpayer shall be
26 liable for a penalty equal to 1/6 of 1% of the tax due from

1 such taxpayer under this Act during the period to be
2 covered by the annual return for each month or fraction of
3 a month until such return is filed as required, the
4 penalty to be assessed and collected in the same manner as
5 any other penalty provided for in this Act.

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

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

17 The foregoing portion of this Section concerning the
18 filing of an annual information return shall not apply to a
19 serviceman who is not required to file an income tax return
20 with the United States Government.

21 As soon as possible after the first day of each month, upon
22 certification of the Department of Revenue, the Comptroller
23 shall order transferred and the Treasurer shall transfer from
24 the General Revenue Fund to the Motor Fuel Tax Fund an amount
25 equal to 1.7% of 80% of the net revenue realized under this Act
26 for the second preceding month. Beginning April 1, 2000, this

1 transfer is no longer required and shall not be made.

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

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

14 (Source: P.A. 103-9, eff. 6-7-23; 103-363, eff. 7-28-23;
15 103-592, eff. 6-7-24; 103-605, eff. 7-1-24; 104-6, Article 5,
16 Section 5-20, eff. 6-16-25; 104-6, Article 25, Section 25-15,
17 eff. 6-16-25; 104-6, Article 35, Section 35-30, eff. 6-16-25;
18 104-457, eff. 6-1-26.)

19 (35 ILCS 115/12) (from Ch. 120, par. 439.112)

20 Sec. 12. All of the provisions of Sections 1d, 1e, 1f, 1i,
21 1j, 1j.1, 1k, 1m, 1n, 1o, 2-6, 2-12, 2-29, 2-54, 2a, 2b, 2c, 3
22 (except as to the disposition by the Department of the tax
23 collected under this Act), 4 (except that the time limitation
24 provisions shall run from the date when the tax is due rather
25 than from the date when gross receipts are received), 5

1 (except that the time limitation provisions on the issuance of
2 notices of tax liability shall run from the date when the tax
3 is due rather than from the date when gross receipts are
4 received), 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5j, 5k, 5l, 5m, 5n, 5o,
5 6d, 7, 8, 9, 10, 11, and 12 of the Retailers' Occupation Tax
6 Act which are not inconsistent with this Act, and Section 3-7
7 of the Uniform Penalty and Interest Act shall apply, as far as
8 practicable, to the subject matter of this Act to the same
9 extent as if such provisions were included herein.

10 (Source: P.A. 102-700, eff. 4-19-22; 103-9, eff. 6-7-23;
11 103-595, eff. 6-26-24; 103-605, eff. 7-1-24.)

12 Section 55. The Retailers' Occupation Tax Act is amended
13 by changing Sections 2-10 and 3 and by adding Section 5o as
14 follows:

15 (35 ILCS 120/2-10) from Ch. 120, par. 441-10

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

21 Beginning July 1, 2028, with respect to building materials
22 used in a qualified residential development, as defined in
23 Section 605-1121 of the Department of Commerce and Economic
24 Opportunity Law of the Civil Administrative Code of Illinois,

1 the tax is imposed at the rate of 1.25%.

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

6 Beginning on August 6, 2010 through August 15, 2010, and
7 beginning again on August 5, 2022 through August 14, 2022,
8 with respect to sales tax holiday items as defined in Section
9 2-8 of this Act, the tax is imposed at the rate of 1.25%.

10 Within 14 days after July 1, 2000 (the effective date of
11 Public Act 91-872), each retailer of motor fuel and gasohol
12 shall cause the following notice to be posted in a prominently
13 visible place on each retail dispensing device that is used to
14 dispense motor fuel or gasohol in the State of Illinois: "As of
15 July 1, 2000, the State of Illinois has eliminated the State's
16 share of sales tax on motor fuel and gasohol through December
17 31, 2000. The price on this pump should reflect the
18 elimination of the tax." The notice shall be printed in bold
19 print on a sign that is no smaller than 4 inches by 8 inches.
20 The sign shall be clearly visible to customers. Any retailer
21 who fails to post or maintain a required sign through December
22 31, 2000 is guilty of a petty offense for which the fine shall
23 be \$500 per day per each retail premises where a violation
24 occurs.

25 With respect to gasohol, as defined in the Use Tax Act, the
26 tax imposed by this Act applies to (i) 70% of the proceeds of

1 sales made on or after January 1, 1990, and before July 1,
2 2003, (ii) 80% of the proceeds of sales made on or after July
3 1, 2003 and on or before July 1, 2017, (iii) 100% of the
4 proceeds of sales made after July 1, 2017 and prior to January
5 1, 2024, (iv) 90% of the proceeds of sales made on or after
6 January 1, 2024 and on or before December 31, 2028, and (v)
7 100% of the proceeds of sales made after December 31, 2028. If,
8 at any time, however, the tax under this Act on sales of
9 gasohol, as defined in the Use Tax Act, is imposed at the rate
10 of 1.25%, then the tax imposed by this Act applies to 100% of
11 the proceeds of sales of gasohol made during that time.

12 With respect to mid-range ethanol blends, as defined in
13 Section 3-44.3 of the Use Tax Act, the tax imposed by this Act
14 applies to (i) 80% of the proceeds of sales made on or after
15 January 1, 2024 and on or before December 31, 2028 and (ii)
16 100% of the proceeds of sales made after December 31, 2028. If,
17 at any time, however, the tax under this Act on sales of
18 mid-range ethanol blends is imposed at the rate of 1.25%, then
19 the tax imposed by this Act applies to 100% of the proceeds of
20 sales of mid-range ethanol blends made during that time.

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

26 With respect to biodiesel blends, as defined in the Use

1 Tax Act, with no less than 1% and no more than 10% biodiesel,
2 the tax imposed by this Act applies to (i) 80% of the proceeds
3 of sales made on or after July 1, 2003 and on or before
4 December 31, 2018 and (ii) 100% of the proceeds of sales made
5 after December 31, 2018 and before January 1, 2024. 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. If,
9 at any time, however, the tax under this Act on sales of
10 biodiesel blends, as defined in the Use Tax Act, with no less
11 than 1% and no more than 10% biodiesel is imposed at the rate
12 of 1.25%, then the tax imposed by this Act applies to 100% of
13 the proceeds of sales of biodiesel blends with no less than 1%
14 and no more than 10% biodiesel made during that time.

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

23 Until July 1, 2022 and from July 1, 2023 through December
24 31, 2025, with respect to food for human consumption that is to
25 be consumed off the premises where it is sold (other than
26 alcoholic beverages, food consisting of or infused with adult

1 use cannabis, soft drinks, and food that has been prepared for
2 immediate consumption), the tax is imposed at the rate of 1%.
3 Beginning July 1, 2022 and until July 1, 2023, with respect to
4 food for human consumption that is to be consumed off the
5 premises where it is sold (other than alcoholic beverages,
6 food consisting of or infused with adult use cannabis, soft
7 drinks, and food that has been prepared for immediate
8 consumption), the tax is imposed at the rate of 0%. On and
9 after January 1, 2026, 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, candy, and food that has been
13 prepared for immediate consumption) is exempt from the tax
14 imposed by this Act.

15 With respect to prescription and nonprescription
16 medicines, drugs, medical appliances, products classified as
17 Class III medical devices by the United States Food and Drug
18 Administration that are used for cancer treatment pursuant to
19 a prescription, as well as any accessories and components
20 related to those devices, modifications to a motor vehicle for
21 the purpose of rendering it usable by a person with a
22 disability, and insulin, blood sugar testing materials,
23 syringes, and needles used by human diabetics, the tax is
24 imposed at the rate of 1%. For the purposes of this Section,
25 until September 1, 2009: the term "soft drinks" means any
26 complete, finished, ready-to-use, non-alcoholic drink, whether

1 carbonated or not, including, but not limited to, soda water,
2 cola, fruit juice, vegetable juice, carbonated water, and all
3 other preparations commonly known as soft drinks of whatever
4 kind or description that are contained in any closed or sealed
5 bottle, can, carton, or container, regardless of size; but
6 "soft drinks" does not include coffee, tea, non-carbonated
7 water, infant formula, milk or milk products as defined in the
8 Grade A Pasteurized Milk and Milk Products Act, or drinks
9 containing 50% or more natural fruit or vegetable juice.

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

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

1 regardless of the location of the vending machine.

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

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

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

25 (B) a statement of the "active ingredient(s)" with a
26 list of those ingredients contained in the compound,

1 substance or preparation.

2 Beginning on January 1, 2014 (the effective date of Public
3 Act 98-122), "prescription and nonprescription medicines and
4 drugs" includes medical cannabis purchased from a registered
5 dispensing organization under the Compassionate Use of Medical
6 Cannabis Program Act.

7 As used in this Section, "adult use cannabis" means
8 cannabis subject to tax under the Cannabis Cultivation
9 Privilege Tax Law and the Cannabis Purchaser Excise Tax Law
10 and does not include cannabis subject to tax under the
11 Compassionate Use of Medical Cannabis Program Act.

12 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
13 103-592, eff. 1-1-25; 103-781, eff. 8-5-24; 104-417, eff.
14 8-15-25.)

15 (35 ILCS 120/3)

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

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

23 1. The name of the seller;

24 2. His residence address and the address of his
25 principal place of business and the address of the

1 principal place of business (if that is a different
2 address) from which he engages in the business of selling
3 tangible personal property at retail in this State;

4 3. Total amount of receipts received by him during the
5 preceding calendar month or quarter, as the case may be,
6 from sales of tangible personal property, and from
7 services furnished, by him during such preceding calendar
8 month or quarter;

9 4. Total amount received by him during the preceding
10 calendar month or quarter on charge and time sales of
11 tangible personal property, and from services furnished,
12 by him prior to the month or quarter for which the return
13 is filed;

14 5. Deductions allowed by law;

15 6. Gross receipts which were received by him during
16 the preceding calendar month or quarter and upon the basis
17 of which the tax is imposed, including gross receipts on
18 food for human consumption that is to be consumed off the
19 premises where it is sold (other than alcoholic beverages,
20 food consisting of or infused with adult use cannabis,
21 soft drinks, and food that has been prepared for immediate
22 consumption) which were received during the preceding
23 calendar month or quarter and upon which tax would have
24 been due but for the 0% rate imposed under Public Act
25 102-700;

26 7. The amount of credit provided in Section 2d of this

1 Act;

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

9 9. The signature of the taxpayer; and

10 10. Such other reasonable information as the
11 Department may require.

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

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

1 to be registered with an agency of this State, shall be filed
2 electronically. Retailers who demonstrate that they do not
3 have access to the Internet or demonstrate hardship in filing
4 electronically may petition the Department to waive the
5 electronic filing requirement.

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

10 Each return shall be accompanied by the statement of
11 prepaid tax issued pursuant to Section 2e for which credit is
12 claimed.

13 Prior to October 1, 2003 and on and after September 1,
14 2004, a retailer may accept a Manufacturer's Purchase Credit
15 certification from a purchaser in satisfaction of Use Tax as
16 provided in Section 3-85 of the Use Tax Act if the purchaser
17 provides the appropriate documentation as required by Section
18 3-85 of the Use Tax Act. A Manufacturer's Purchase Credit
19 certification, accepted by a retailer prior to October 1, 2003
20 and on and after September 1, 2004 as provided in Section 3-85
21 of the Use Tax Act, may be used by that retailer to satisfy
22 Retailers' Occupation Tax liability in the amount claimed in
23 the certification, not to exceed 6.25% of the receipts subject
24 to tax from a qualifying purchase. A Manufacturer's Purchase
25 Credit reported on any original or amended return filed under
26 this Act after October 20, 2003 for reporting periods prior to

1 September 1, 2004 shall be disallowed. Manufacturer's Purchase
2 Credit reported on annual returns due on or after January 1,
3 2005 will be disallowed for periods prior to September 1,
4 2004. No Manufacturer's Purchase Credit may be used after
5 September 30, 2003 through August 31, 2004 to satisfy any tax
6 liability imposed under this Act, including any audit
7 liability.

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

1 Act. The documentation must include detail sufficient for the
2 Department to determine the number of gallons of sustainable
3 aviation fuel sold.

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

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

25 Every person engaged in the business of selling aviation
26 fuel at retail in this State during the preceding calendar

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

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

25 Beginning on October 1, 2003, every distributor, importing
26 distributor, and manufacturer of alcoholic liquor as defined

1 in the Liquor Control Act of 1934, shall file a statement with
2 the Department of Revenue, no later than the 10th day of the
3 month for the preceding month during which transactions
4 occurred, by electronic means, showing the total amount of
5 gross receipts from the sale of alcoholic liquor sold or
6 distributed during the preceding month to purchasers;
7 identifying the purchaser to whom it was sold or distributed;
8 the purchaser's tax registration number; and such other
9 information reasonably required by the Department. A
10 distributor, importing distributor, or manufacturer of
11 alcoholic liquor must personally deliver, mail, or provide by
12 electronic means to each retailer listed on the monthly
13 statement a report containing a cumulative total of that
14 distributor's, importing distributor's, or manufacturer's
15 total sales of alcoholic liquor to that retailer no later than
16 the 10th day of the month for the preceding month during which
17 the transaction occurred. The distributor, importing
18 distributor, or manufacturer shall notify the retailer as to
19 the method by which the distributor, importing distributor, or
20 manufacturer will provide the sales information. If the
21 retailer is unable to receive the sales information by
22 electronic means, the distributor, importing distributor, or
23 manufacturer shall furnish the sales information by personal
24 delivery or by mail. For purposes of this paragraph, the term
25 "electronic means" includes, but is not limited to, the use of
26 a secure Internet website, e-mail, or facsimile.

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

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

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

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

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

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

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

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

24 Any amount which is required to be shown or reported on any
25 return or other document under this Act shall, if such amount
26 is not a whole-dollar amount, be increased to the nearest

1 whole-dollar amount in any case where the fractional part of a
2 dollar is 50 cents or more, and decreased to the nearest
3 whole-dollar amount where the fractional part of a dollar is
4 less than 50 cents.

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

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

1 rolling stock as provided in Section 2-5 of this Act, then that
2 seller may report the transfer of all aircraft, watercraft,
3 motor vehicles, or trailers involved in that transaction to
4 the Department on the same uniform invoice-transaction
5 reporting return form. For purposes of this Section,
6 "watercraft" means a Class 2, Class 3, or Class 4 watercraft as
7 defined in Section 3-2 of the Boat Registration and Safety
8 Act, a personal watercraft, or any boat equipped with an
9 inboard motor.

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

26 Any retailer who sells only motor vehicles, watercraft,

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

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

1 Illinois Vehicle Code, and such other information as the
2 Department may reasonably require.

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

20 Such transaction reporting return shall be filed not later
21 than 20 days after the day of delivery of the item that is
22 being sold, but may be filed by the retailer at any time sooner
23 than that if he chooses to do so. The transaction reporting
24 return and tax remittance or proof of exemption from the
25 Illinois use tax may be transmitted to the Department by way of
26 the State agency with which, or State officer with whom the

1 tangible personal property must be titled or registered (if
2 titling or registration is required) if the Department and
3 such agency or State officer determine that this procedure
4 will expedite the processing of applications for title or
5 registration.

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

19 No retailer's failure or refusal to remit tax under this
20 Act precludes a user, who has paid the proper tax to the
21 retailer, from obtaining his certificate of title or other
22 evidence of title or registration (if titling or registration
23 is required) upon satisfying the Department that such user has
24 paid the proper tax (if tax is due) to the retailer. The
25 Department shall adopt appropriate rules to carry out the
26 mandate of this paragraph.

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

19 On and after January 1, 2025, with respect to the lease of
20 trailers, other than semitrailers as defined in Section 1-187
21 of the Illinois Vehicle Code, that are required to be
22 registered with an agency of this State and that are subject to
23 the tax on lease receipts under this Act, notwithstanding any
24 other provision of this Act to the contrary, for the purpose of
25 reporting and paying tax under this Act on those lease
26 receipts, lessors shall file returns in addition to and

1 separate from the transaction reporting return. Lessors shall
2 file those lease returns and make payment to the Department by
3 electronic means on or before the 20th day of each month
4 following the month, quarter, or year, as applicable, in which
5 lease receipts were received. All lease receipts received by
6 the lessor from the lease of those trailers during the same
7 reporting period shall be reported and tax shall be paid on a
8 single return form to be prescribed by the Department.

9 Refunds made by the seller during the preceding return
10 period to purchasers, on account of tangible personal property
11 returned to the seller, shall be allowed as a deduction under
12 subdivision 5 of his monthly or quarterly return, as the case
13 may be, in case the seller had theretofore included the
14 receipts from the sale of such tangible personal property in a
15 return filed by him and had paid the tax imposed by this Act
16 with respect to such receipts.

17 Where the seller is a corporation, the return filed on
18 behalf of such corporation shall be signed by the president,
19 vice-president, secretary, or treasurer or by the properly
20 accredited agent of such corporation.

21 Where the seller is a limited liability company, the
22 return filed on behalf of the limited liability company shall
23 be signed by a manager, member, or properly accredited agent
24 of the limited liability company.

25 Except as provided in this Section, the retailer filing
26 the return under this Section shall, at the time of filing such

1 return, pay to the Department the amount of tax imposed by this
2 Act less a discount of 2.1% prior to January 1, 1990 and 1.75%
3 on and after January 1, 1990, or \$5 per calendar year,
4 whichever is greater, which is allowed to reimburse the
5 retailer for the expenses incurred in keeping records,
6 preparing and filing returns, remitting the tax and supplying
7 data to the Department on request. A ~~a~~ certified service
8 provider, as defined in the Leveling the Playing Field for
9 Illinois Retail Act, filing the return under this Section on
10 behalf of a remote retailer or a retailer maintaining a place
11 of business in this State shall, at the time of such return,
12 pay to the Department the amount of tax imposed by this Act
13 less a discount of 1.75%. A remote retailer or a retailer
14 maintaining a place of business in this State using a
15 certified service provider to file a return on its behalf, as
16 provided in the Leveling the Playing Field for Illinois Retail
17 Act, is not eligible for the discount. Beginning with returns
18 due on or after January 1, 2025, the vendor's discount allowed
19 in this Section, the Service Occupation Tax Act, the Use Tax
20 Act, and the Service Use Tax Act, including any local tax
21 administered by the Department and reported on the same
22 return, shall not exceed \$1,000 per month in the aggregate for
23 returns other than transaction returns filed during the month.
24 When determining the discount allowed under this Section,
25 retailers shall include the amount of tax that would have been
26 due at the 1% rate but for the 0% rate imposed under Public Act

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

26 Before October 1, 2000, if the taxpayer's average monthly

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

1 for the preceding 4 complete calendar quarters (excluding the
2 month of highest liability and the month of lowest liability
3 in such 4 quarter period). If the month during which such tax
4 liability is incurred begins on or after January 1, 1985 and
5 prior to January 1, 1987, each payment shall be in an amount
6 equal to 22.5% of the taxpayer's actual liability for the
7 month or 27.5% of the taxpayer's liability for the same
8 calendar month of the preceding year. If the month during
9 which such tax liability is incurred begins on or after
10 January 1, 1987 and prior to January 1, 1988, each payment
11 shall be in an amount equal to 22.5% of the taxpayer's actual
12 liability for the month or 26.25% of the taxpayer's liability
13 for the same calendar month of the preceding year. If the month
14 during which such tax liability is incurred begins on or after
15 January 1, 1988, and prior to January 1, 1989, or begins on or
16 after January 1, 1996, each payment shall be in an amount equal
17 to 22.5% of the taxpayer's actual liability for the month or
18 25% of the taxpayer's liability for the same calendar month of
19 the preceding year. If the month during which such tax
20 liability is incurred begins on or after January 1, 1989, and
21 prior to January 1, 1996, each payment shall be in an amount
22 equal to 22.5% of the taxpayer's actual liability for the
23 month or 25% of the taxpayer's liability for the same calendar
24 month of the preceding year or 100% of the taxpayer's actual
25 liability for the quarter monthly reporting period. The amount
26 of such quarter monthly payments shall be credited against the

1 final tax liability of the taxpayer's return for that month.
2 Before October 1, 2000, once applicable, the requirement of
3 the making of quarter monthly payments to the Department by
4 taxpayers having an average monthly tax liability of \$10,000
5 or more as determined in the manner provided above shall
6 continue until such taxpayer's average monthly liability to
7 the Department during the preceding 4 complete calendar
8 quarters (excluding the month of highest liability and the
9 month of lowest liability) is less than \$9,000, or until such
10 taxpayer's average monthly liability to the Department as
11 computed for each calendar quarter of the 4 preceding complete
12 calendar quarter period is less than \$10,000. However, if a
13 taxpayer can show the Department that a substantial change in
14 the taxpayer's business has occurred which causes the taxpayer
15 to anticipate that his average monthly tax liability for the
16 reasonably foreseeable future will fall below the \$10,000
17 threshold stated above, then such taxpayer may petition the
18 Department for a change in such taxpayer's reporting status.
19 On and after October 1, 2000, once applicable, the requirement
20 of the making of quarter monthly payments to the Department by
21 taxpayers having an average monthly tax liability of \$20,000
22 or more as determined in the manner provided above shall
23 continue until such taxpayer's average monthly liability to
24 the Department during the preceding 4 complete calendar
25 quarters (excluding the month of highest liability and the
26 month of lowest liability) is less than \$19,000 or until such

1 taxpayer's average monthly liability to the Department as
2 computed for each calendar quarter of the 4 preceding complete
3 calendar quarter period is less than \$20,000. However, if a
4 taxpayer can show the Department that a substantial change in
5 the taxpayer's business has occurred which causes the taxpayer
6 to anticipate that his average monthly tax liability for the
7 reasonably foreseeable future will fall below the \$20,000
8 threshold stated above, then such taxpayer may petition the
9 Department for a change in such taxpayer's reporting status.
10 The Department shall change such taxpayer's reporting status
11 unless it finds that such change is seasonal in nature and not
12 likely to be long term. Quarter monthly payment status shall
13 be determined under this paragraph as if the rate reduction to
14 0% in Public Act 102-700 on food for human consumption that is
15 to be consumed off the premises where it is sold (other than
16 alcoholic beverages, food consisting of or infused with adult
17 use cannabis, soft drinks, and food that has been prepared for
18 immediate consumption) had not occurred. For quarter monthly
19 payments due under this paragraph on or after July 1, 2023 and
20 through June 30, 2024, "25% of the taxpayer's liability for
21 the same calendar month of the preceding year" shall be
22 determined as if the rate reduction to 0% in Public Act 102-700
23 had not occurred. Quarter monthly payment status shall be
24 determined under this paragraph as if the rate reduction to
25 1.25% in Public Act 102-700 on sales tax holiday items had not
26 occurred. For quarter monthly payments due on or after July 1,

1 2023 and through June 30, 2024, "25% of the taxpayer's
2 liability for the same calendar month of the preceding year"
3 shall be determined as if the rate reduction to 1.25% in Public
4 Act 102-700 on sales tax holiday items had not occurred. If any
5 such quarter monthly payment is not paid at the time or in the
6 amount required by this Section, then the taxpayer shall be
7 liable for penalties and interest on the difference between
8 the minimum amount due as a payment and the amount of such
9 quarter monthly payment actually and timely paid, except
10 insofar as the taxpayer has previously made payments for that
11 month to the Department in excess of the minimum payments
12 previously due as provided in this Section. The Department
13 shall make reasonable rules and regulations to govern the
14 quarter monthly payment amount and quarter monthly payment
15 dates for taxpayers who file on other than a calendar monthly
16 basis.

17 The provisions of this paragraph apply before October 1,
18 2001. Without regard to whether a taxpayer is required to make
19 quarter monthly payments as specified above, any taxpayer who
20 is required by Section 2d of this Act to collect and remit
21 prepaid taxes and has collected prepaid taxes which average in
22 excess of \$25,000 per month during the preceding 2 complete
23 calendar quarters, shall file a return with the Department as
24 required by Section 2f and shall make payments to the
25 Department on or before the 7th, 15th, 22nd and last day of the
26 month during which such liability is incurred. If the month

1 during which such tax liability is incurred began prior to
2 September 1, 1985 (the effective date of Public Act 84-221),
3 each payment shall be in an amount not less than 22.5% of the
4 taxpayer's actual liability under Section 2d. If the month
5 during which such tax liability is incurred begins on or after
6 January 1, 1986, each payment shall be in an amount equal to
7 22.5% of the taxpayer's actual liability for the month or
8 27.5% of the taxpayer's liability for the same calendar month
9 of the preceding calendar year. If the month during which such
10 tax liability is incurred begins on or after January 1, 1987,
11 each payment shall be in an amount equal to 22.5% of the
12 taxpayer's actual liability for the month or 26.25% of the
13 taxpayer's liability for the same calendar month of the
14 preceding year. The amount of such quarter monthly payments
15 shall be credited against the final tax liability of the
16 taxpayer's return for that month filed under this Section or
17 Section 2f, as the case may be. Once applicable, the
18 requirement of the making of quarter monthly payments to the
19 Department pursuant to this paragraph shall continue until
20 such taxpayer's average monthly prepaid tax collections during
21 the preceding 2 complete calendar quarters is \$25,000 or less.
22 If any such quarter monthly payment is not paid at the time or
23 in the amount required, the taxpayer shall be liable for
24 penalties and interest on such difference, except insofar as
25 the taxpayer has previously made payments for that month in
26 excess of the minimum payments previously due.

1 The provisions of this paragraph apply on and after
2 October 1, 2001. Without regard to whether a taxpayer is
3 required to make quarter monthly payments as specified above,
4 any taxpayer who is required by Section 2d of this Act to
5 collect and remit prepaid taxes and has collected prepaid
6 taxes that average in excess of \$20,000 per month during the
7 preceding 4 complete calendar quarters shall file a return
8 with the Department as required by Section 2f and shall make
9 payments to the Department on or before the 7th, 15th, 22nd,
10 and last day of the month during which the liability is
11 incurred. Each payment shall be in an amount equal to 22.5% of
12 the taxpayer's actual liability for the month or 25% of the
13 taxpayer's liability for the same calendar month of the
14 preceding year. The amount of the quarter monthly payments
15 shall be credited against the final tax liability of the
16 taxpayer's return for that month filed under this Section or
17 Section 2f, as the case may be. Once applicable, the
18 requirement of the making of quarter monthly payments to the
19 Department pursuant to this paragraph shall continue until the
20 taxpayer's average monthly prepaid tax collections during the
21 preceding 4 complete calendar quarters (excluding the month of
22 highest liability and the month of lowest liability) is less
23 than \$19,000 or until such taxpayer's average monthly
24 liability to the Department as computed for each calendar
25 quarter of the 4 preceding complete calendar quarters is less
26 than \$20,000. If any such quarter monthly payment is not paid

1 at the time or in the amount required, the taxpayer shall be
2 liable for penalties and interest on such difference, except
3 insofar as the taxpayer has previously made payments for that
4 month in excess of the minimum payments previously due.

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

1 If a retailer of motor fuel is entitled to a credit under
2 Section 2d of this Act which exceeds the taxpayer's liability
3 to the Department under this Act for the month for which the
4 taxpayer is filing a return, the Department shall issue the
5 taxpayer a credit memorandum for the excess.

6 The net revenue realized at the 15% rate under either
7 Section 4 or Section 5 of this Act shall be deposited as
8 follows: (i) notwithstanding the provisions of this Section to
9 the contrary, the net revenue realized from the portion of the
10 rate in excess of 5% shall be deposited into the State and
11 Local Sales Tax Reform Fund; and (ii) the net revenue realized
12 from the 5% portion of the rate shall be deposited as provided
13 in this Section for the 5% portion of the 6.25% general rate
14 imposed under this Act.

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

20 Beginning January 1, 1990, each month the Department shall
21 pay into the County and Mass Transit District Fund, a special
22 fund in the State treasury which is hereby created, 4% of the
23 net revenue realized for the preceding month from the 6.25%
24 general rate other than aviation fuel sold on or after
25 December 1, 2019. This exception for aviation fuel only
26 applies for so long as the revenue use requirements of 49

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

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

11 Beginning July 1, 2028, each month the Department shall
12 pay into the County and Mass Transit District Fund 20% of the
13 net revenue realized for the preceding month from the 1.25%
14 rate on the selling price of qualified residential development
15 building materials.

16 Beginning July 1, 2028, each month the Department shall
17 pay into the Local Government Tax Fund 80% of the net revenue
18 realized for the preceding month from the 1.25% rate on the
19 selling price of qualified residential development building
20 materials.

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 other than
25 aviation fuel sold on or after December 1, 2019. This
26 exception for aviation fuel only applies for so long as the

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

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

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

24 Beginning October 1, 2009, each month the Department shall
25 pay into the Capital Projects Fund an amount that is equal to
26 an amount estimated by the Department to represent 80% of the

1 net revenue realized for the preceding month from the sale of
2 candy, grooming and hygiene products, and soft drinks that had
3 been taxed at a rate of 1% prior to September 1, 2009 but that
4 are now taxed at 6.25%.

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

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

1 into the fund, excluding payments made pursuant to this
2 paragraph.

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

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

1 below for fiscal years 1986 through 1993:

2	Fiscal Year	Annual Specified Amount
3	1986	\$54,800,000
4	1987	\$76,650,000
5	1988	\$80,480,000
6	1989	\$88,510,000
7	1990	\$115,330,000
8	1991	\$145,470,000
9	1992	\$182,730,000
10	1993	\$206,520,000;

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

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

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

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

20	Fiscal Year	Total Deposit
21	1993	\$0
22	1994	53,000,000
23	1995	58,000,000
24	1996	61,000,000
25	1997	64,000,000
26	1998	68,000,000

1	1999	71,000,000
2	2000	75,000,000
3	2001	80,000,000
4	2002	93,000,000
5	2003	99,000,000
6	2004	103,000,000
7	2005	108,000,000
8	2006	113,000,000
9	2007	119,000,000
10	2008	126,000,000
11	2009	132,000,000
12	2010	139,000,000
13	2011	146,000,000
14	2012	153,000,000
15	2013	161,000,000
16	2014	170,000,000
17	2015	179,000,000
18	2016	189,000,000
19	2017	199,000,000
20	2018	210,000,000
21	2019	221,000,000
22	2020	233,000,000
23	2021	300,000,000
24	2022	300,000,000
25	2023	300,000,000
26	2024	300,000,000

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

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

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

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

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

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

1 the preceding month from the 6.25% general rate on the selling
2 price of tangible personal property.

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

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

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

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

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

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

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

1 estimated to represent 16% of the net revenue realized from
2 the taxes imposed on motor fuel and gasohol. Beginning July 1,
3 2022 and until July 1, 2023, subject to the payment of amounts
4 into the County and Mass Transit District Fund, the Local
5 Government Tax Fund, the Build Illinois Fund, the McCormick
6 Place Expansion Project Fund, the Illinois Tax Increment Fund,
7 and the Tax Compliance and Administration Fund as provided in
8 this Section, the Department shall pay each month into the
9 Road Fund the amount estimated to represent 32% of the net
10 revenue realized from the taxes imposed on motor fuel and
11 gasohol. Beginning July 1, 2023 and until July 1, 2024,
12 subject to the payment of amounts into the County and Mass
13 Transit District Fund, the Local Government Tax Fund, the
14 Build Illinois Fund, the McCormick Place Expansion Project
15 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
16 and Administration Fund as provided in this Section, the
17 Department shall pay each month into the Road Fund the amount
18 estimated to represent 48% of the net revenue realized from
19 the taxes imposed on motor fuel and gasohol. Beginning July 1,
20 2024 and until July 1, 2026, subject to the payment of amounts
21 into the County and Mass Transit District Fund, the Local
22 Government Tax Fund, the Build Illinois Fund, the McCormick
23 Place Expansion Project Fund, the Illinois Tax Increment Fund,
24 and the Tax Compliance and Administration Fund as provided in
25 this Section, the Department shall pay each month into the
26 Road Fund the amount estimated to represent 64% of the net

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

14 Until July 1, 2025, of the remainder of the moneys
15 received by the Department pursuant to this Act, 75% thereof
16 shall be paid into the State treasury and 25% shall be reserved
17 in a special account and used only for the transfer to the
18 Common School Fund as part of the monthly transfer from the
19 General Revenue Fund in accordance with Section 8a of the
20 State Finance Act. Beginning July 1, 2025, of the remainder of
21 the moneys received by the Department pursuant to this Act,
22 75% shall be deposited into the General Revenue Fund and 25%
23 shall be deposited into the Common School Fund.

24 The Department may, upon separate written notice to a
25 taxpayer, require the taxpayer to prepare and file with the
26 Department on a form prescribed by the Department within not

1 less than 60 days after receipt of the notice an annual
2 information return for the tax year specified in the notice.
3 Such annual return to the Department shall include a statement
4 of gross receipts as shown by the retailer's last federal
5 income tax return. If the total receipts of the business as
6 reported in the federal income tax return do not agree with the
7 gross receipts reported to the Department of Revenue for the
8 same period, the retailer shall attach to his annual return a
9 schedule showing a reconciliation of the 2 amounts and the
10 reasons for the difference. The retailer's annual return to
11 the Department shall also disclose the cost of goods sold by
12 the retailer during the year covered by such return, opening
13 and closing inventories of such goods for such year, costs of
14 goods used from stock or taken from stock and given away by the
15 retailer during such year, payroll information of the
16 retailer's business during such year and any additional
17 reasonable information which the Department deems would be
18 helpful in determining the accuracy of the monthly, quarterly,
19 or annual returns filed by such retailer as provided for in
20 this Section.

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

24 (i) Until January 1, 1994, the taxpayer shall be
25 liable for a penalty equal to 1/6 of 1% of the tax due from
26 such taxpayer under this Act during the period to be

1 covered by the annual return for each month or fraction of
2 a month until such return is filed as required, the
3 penalty to be assessed and collected in the same manner as
4 any other penalty provided for in this Act.

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

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

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

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

1 Net revenue realized for a month shall be the revenue
2 collected by the State pursuant to this Act, less the amount
3 paid out during that month as refunds to taxpayers for
4 overpayment of liability.

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

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

1 this Section commits a business offense and is subject to a
2 fine not to exceed \$250.

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

23 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
24 103-363, eff. 7-28-23; 103-592, Article 75, Section 75-20,
25 eff. 1-1-25; 103-592, Article 110, Section 110-20, eff.
26 6-7-24; 103-605, eff. 7-1-24; 103-1055, eff. 12-20-24; 104-6,

1 Article 5, Section 5-25, eff. 6-16-25; 104-6, Article 25,
2 Section 25-20, eff. 6-16-25; 104-6, Article 35, Section 35-35,
3 eff. 6-16-25; revised 1-12-26.)

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

5 Sec. 3. Except as provided in this Section, on or before
6 the twentieth day of each calendar month, every person engaged
7 in the business of selling, which, on and after January 1,
8 2025, includes leasing, tangible personal property at retail
9 in this State during the preceding calendar month shall file a
10 return with the Department, stating:

11 1. The name of the seller;

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

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

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

1 is filed;

2 5. Deductions allowed by law;

3 6. Gross receipts which were received by him during
4 the preceding calendar month or quarter and upon the basis
5 of which the tax is imposed, including gross receipts on
6 food for human consumption that is to be consumed off the
7 premises where it is sold (other than alcoholic beverages,
8 food consisting of or infused with adult use cannabis,
9 soft drinks, and food that has been prepared for immediate
10 consumption) which were received during the preceding
11 calendar month or quarter and upon which tax would have
12 been due but for the 0% rate imposed under Public Act
13 102-700;

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

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

23 9. The signature of the taxpayer; and

24 10. Such other reasonable information as the
25 Department may require.

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

1 this Act, the lessor must remit for each tax return period only
2 the tax applicable to that part of the selling price actually
3 received during such tax return period.

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

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

24 Each return shall be accompanied by the statement of
25 prepaid tax issued pursuant to Section 2e for which credit is
26 claimed.

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

22 Beginning on July 1, 2023 and through December 31, 2032, a
23 retailer may accept a Sustainable Aviation Fuel Purchase
24 Credit certification from an air common carrier-purchaser in
25 satisfaction of Use Tax on aviation fuel as provided in
26 Section 3-87 of the Use Tax Act if the purchaser provides the

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

18 The Department may require returns to be filed on a
19 quarterly basis. If so required, a return for each calendar
20 quarter shall be filed on or before the twentieth day of the
21 calendar month following the end of such calendar quarter. The
22 taxpayer shall also file a return with the Department for each
23 of the first 2 months of each calendar quarter, on or before
24 the twentieth day of the following calendar month, stating:

25 1. The name of the seller;

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

1 which he engages in the business of selling tangible
2 personal property at retail in this State;

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

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

10 5. The amount of tax due; and

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

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

25 Beginning on October 1, 2003, any person who is not a
26 licensed distributor, importing distributor, or manufacturer,

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

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

1 statement a report containing a cumulative total of that
2 distributor's, importing distributor's, or manufacturer's
3 total sales of alcoholic liquor to that retailer no later than
4 the 10th day of the month for the preceding month during which
5 the transaction occurred. The distributor, importing
6 distributor, or manufacturer shall notify the retailer as to
7 the method by which the distributor, importing distributor, or
8 manufacturer will provide the sales information. If the
9 retailer is unable to receive the sales information by
10 electronic means, the distributor, importing distributor, or
11 manufacturer shall furnish the sales information by personal
12 delivery or by mail. For purposes of this paragraph, the term
13 "electronic means" includes, but is not limited to, the use of
14 a secure Internet website, e-mail, or facsimile.

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

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

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

1 given year being due by October 20 of such year, and with the
2 return for October, November, and December of a given year
3 being due by January 20 of the following year.

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

10 Such quarter annual and annual returns, as to form and
11 substance, shall be subject to the same requirements as
12 monthly returns.

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

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

26 In addition, with respect to motor vehicles, watercraft,

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

24 In addition, with respect to motor vehicles, watercraft,
25 aircraft, and trailers that are required to be registered with
26 an agency of this State, every person who is engaged in the

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

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

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

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

17 The transaction reporting return in the case of watercraft
18 or aircraft must show the name and address of the seller; the
19 name and address of the purchaser; the amount of the selling
20 price including the amount allowed by the retailer for
21 traded-in property, if any; the amount allowed by the retailer
22 for the traded-in tangible personal property, if any, to the
23 extent to which Section 1 of this Act allows an exemption for
24 the value of traded-in property; the balance payable after
25 deducting such trade-in allowance from the total selling
26 price; the amount of tax due from the retailer with respect to

1 such transaction; the amount of tax collected from the
2 purchaser by the retailer on such transaction (or satisfactory
3 evidence that such tax is not due in that particular instance,
4 if that is claimed to be the fact); the place and date of the
5 sale, a sufficient identification of the property sold, and
6 such other information as the Department may reasonably
7 require.

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

20 With each such transaction reporting return, the retailer
21 shall remit the proper amount of tax due (or shall submit
22 satisfactory evidence that the sale is not taxable if that is
23 the case), to the Department or its agents, whereupon the
24 Department shall issue, in the purchaser's name, a use tax
25 receipt (or a certificate of exemption if the Department is
26 satisfied that the particular sale is tax-exempt) which such

1 purchaser may submit to the agency with which, or State
2 officer with whom, he must title or register the tangible
3 personal property that is involved (if titling or registration
4 is required) in support of such purchaser's application for an
5 Illinois certificate or other evidence of title or
6 registration to such tangible personal property.

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

15 If the user who would otherwise pay tax to the retailer
16 wants the transaction reporting return filed and the payment
17 of the tax or proof of exemption made to the Department before
18 the retailer is willing to take these actions and such user has
19 not paid the tax to the retailer, such user may certify to the
20 fact of such delay by the retailer and may (upon the Department
21 being satisfied of the truth of such certification) transmit
22 the information required by the transaction reporting return
23 and the remittance for tax or proof of exemption directly to
24 the Department and obtain his tax receipt or exemption
25 determination, in which event the transaction reporting return
26 and tax remittance (if a tax payment was required) shall be

1 credited by the Department to the proper retailer's account
2 with the Department, but without the vendor's discount
3 provided for in this Section being allowed. When the user pays
4 the tax directly to the Department, he shall pay the tax in the
5 same amount and in the same form in which it would be remitted
6 if the tax had been remitted to the Department by the retailer.

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

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

1 may be, in case the seller had theretofore included the
2 receipts from the sale of such tangible personal property in a
3 return filed by him and had paid the tax imposed by this Act
4 with respect to such receipts.

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

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

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

1 less a discount of 1.75%. A remote retailer or a retailer
2 maintaining a place of business in this State using a
3 certified service provider to file a return on its behalf, as
4 provided in the Leveling the Playing Field for Illinois Retail
5 Act, is not eligible for the discount. Beginning with returns
6 due on or after January 1, 2025, the vendor's discount allowed
7 in this Section, the Service Occupation Tax Act, the Use Tax
8 Act, and the Service Use Tax Act, including any local tax
9 administered by the Department and reported on the same
10 return, shall not exceed \$1,000 per month in the aggregate for
11 returns other than transaction returns filed during the month.
12 When determining the discount allowed under this Section,
13 retailers shall include the amount of tax that would have been
14 due at the 1% rate but for the 0% rate imposed under Public Act
15 102-700. When determining the discount allowed under this
16 Section, retailers shall include the amount of tax that would
17 have been due at the 6.25% rate but for the 1.25% rate imposed
18 on sales tax holiday items under Public Act 102-700. The
19 discount under this Section is not allowed for the 1.25%
20 portion of taxes paid on aviation fuel that is subject to the
21 revenue use requirements of 49 U.S.C. 47107(b) and 49 U.S.C.
22 47133. Any prepayment made pursuant to Section 2d of this Act
23 shall be included in the amount on which such discount is
24 computed. In the case of retailers who report and pay the tax
25 on a transaction by transaction basis, as provided in this
26 Section, such discount shall be taken with each such tax

1 remittance instead of when such retailer files his periodic
2 return, but, beginning with returns due on or after January 1,
3 2025, the vendor's discount allowed under this Section and the
4 Use Tax Act, including any local tax administered by the
5 Department and reported on the same transaction return, shall
6 not exceed \$1,000 per month for all transaction returns filed
7 during the month. The discount allowed under this Section is
8 allowed only for returns that are filed in the manner required
9 by this Act. The Department may disallow the discount for
10 retailers whose certificate of registration is revoked at the
11 time the return is filed, but only if the Department's
12 decision to revoke the certificate of registration has become
13 final.

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

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

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

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

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

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

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

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

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

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

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

1 Act, the Service Occupation Tax Act, or the Service Use Tax
2 Act, in accordance with reasonable rules and regulations to be
3 prescribed by the Department. If no such request is made, the
4 taxpayer may credit such excess payment against tax liability
5 subsequently to be remitted to the Department under this Act,
6 the Use Tax Act, the Service Occupation Tax Act, or the Service
7 Use Tax Act, in accordance with reasonable rules and
8 regulations prescribed by the Department. If the Department
9 subsequently determined that all or any part of the credit
10 taken was not actually due to the taxpayer, the taxpayer's
11 vendor's discount shall be reduced, if necessary, to reflect
12 the difference between the credit taken and that actually due,
13 and that taxpayer shall be liable for penalties and interest
14 on such difference.

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

20 The net revenue realized at the 15% rate under either
21 Section 4 or Section 5 of this Act shall be deposited as
22 follows: (i) notwithstanding the provisions of this Section to
23 the contrary, the net revenue realized from the portion of the
24 rate in excess of 5% shall be deposited into the State and
25 Local Sales Tax Reform Fund; and (ii) the net revenue realized
26 from the 5% portion of the rate shall be deposited as provided

1 in this Section for the 5% portion of the 6.25% general rate
2 imposed under this Act.

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

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

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

25 Beginning July 1, 2028, each month the Department shall
26 pay into the County and Mass Transit District Fund 20% of the

1 net revenue realized for the preceding month from the 1.25%
2 rate on the selling price of qualified residential development
3 building materials.

4 Beginning July 1, 2028, each month the Department shall
5 pay into the Local Government Tax Fund 80% of the net revenue
6 realized for the preceding month from the 1.25% rate on the
7 selling price of qualified residential development building
8 materials.

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

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

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

3 Beginning August 1, 2000, each month the Department shall
4 pay into the Local Government Tax Fund 80% of the net revenue
5 realized for the preceding month from the 1.25% rate on the
6 selling price of motor fuel and gasohol. If, in any month, the
7 tax on sales tax holiday items, as defined in Section 2-8, is
8 imposed at the rate of 1.25%, then the Department shall pay 80%
9 of the net revenue realized for that month from the 1.25% rate
10 on the selling price of sales tax holiday items into the Local
11 Government Tax Fund.

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

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

1 fiscal year.

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

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

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

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

16	Fiscal Year	Annual Specified Amount
17	1986	\$54,800,000
18	1987	\$76,650,000
19	1988	\$80,480,000
20	1989	\$88,510,000
21	1990	\$115,330,000
22	1991	\$145,470,000
23	1992	\$182,730,000
24	1993	\$206,520,000;

25 and means the Certified Annual Debt Service Requirement (as
 26 defined in Section 13 of the Build Illinois Bond Act) or the

1 Tax Act Amount, whichever is greater, for fiscal year 1994 and
2 each fiscal year thereafter; and further provided, that if on
3 the last business day of any month the sum of (1) the Tax Act
4 Amount required to be deposited into the Build Illinois Bond
5 Account in the Build Illinois Fund during such month and (2)
6 the amount transferred to the Build Illinois Fund from the
7 State and Local Sales Tax Reform Fund shall have been less than
8 1/12 of the Annual Specified Amount, an amount equal to the
9 difference shall be immediately paid into the Build Illinois
10 Fund from other moneys received by the Department pursuant to
11 the Tax Acts; and, further provided, that in no event shall the
12 payments required under the preceding proviso result in
13 aggregate payments into the Build Illinois Fund pursuant to
14 this clause (b) for any fiscal year in excess of the greater of
15 (i) the Tax Act Amount or (ii) the Annual Specified Amount for
16 such fiscal year. The amounts payable into the Build Illinois
17 Fund under clause (b) of the first sentence in this paragraph
18 shall be payable only until such time as the aggregate amount
19 on deposit under each trust indenture securing Bonds issued
20 and outstanding pursuant to the Build Illinois Bond Act is
21 sufficient, taking into account any future investment income,
22 to fully provide, in accordance with such indenture, for the
23 defeasance of or the payment of the principal of, premium, if
24 any, and interest on the Bonds secured by such indenture and on
25 any Bonds expected to be issued thereafter and all fees and
26 costs payable with respect thereto, all as certified by the

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

22 Subject to payment of amounts into the Build Illinois Fund
23 as provided in the preceding paragraph or in any amendment
24 thereto hereafter enacted, the following specified monthly
25 installment of the amount requested in the certificate of the
26 Chairman of the Metropolitan Pier and Exposition Authority

1 provided under Section 8.25f of the State Finance Act, but not
2 in excess of sums designated as "Total Deposit", shall be
3 deposited in the aggregate from collections under Section 9 of
4 the Use Tax Act, Section 9 of the Service Use Tax Act, Section
5 9 of the Service Occupation Tax Act, and Section 3 of the
6 Retailers' Occupation Tax Act into the McCormick Place
7 Expansion Project Fund in the specified fiscal years.

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

1	2011	146,000,000
2	2012	153,000,000
3	2013	161,000,000
4	2014	170,000,000
5	2015	179,000,000
6	2016	189,000,000
7	2017	199,000,000
8	2018	210,000,000
9	2019	221,000,000
10	2020	233,000,000
11	2021	300,000,000
12	2022	300,000,000
13	2023	300,000,000
14	2024	300,000,000
15	2025	300,000,000
16	2026	300,000,000
17	2027	375,000,000
18	2028	375,000,000
19	2029	375,000,000
20	2030	375,000,000
21	2031	375,000,000
22	2032	375,000,000
23	2033	375,000,000
24	2034	375,000,000
25	2035	375,000,000
26	2036	450,000,000

1 and
2 each fiscal year
3 thereafter that bonds
4 are outstanding under
5 Section 13.2 of the
6 Metropolitan Pier and
7 Exposition Authority Act,
8 but not after fiscal year 2060.

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

22 Subject to payment of amounts into the Capital Projects
23 Fund, the Clean Air Act Permit Fund, the Build Illinois Fund,
24 and the McCormick Place Expansion Project Fund pursuant to the
25 preceding paragraphs or in any amendments thereto hereafter
26 enacted, for aviation fuel sold on or after December 1, 2019,

1 the Department shall each month deposit into the Aviation Fuel
2 Sales Tax Refund Fund an amount estimated by the Department to
3 be required for refunds of the 80% portion of the tax on
4 aviation fuel under this Act. The Department shall only
5 deposit moneys into the Aviation Fuel Sales Tax Refund Fund
6 under this paragraph for so long as the revenue use
7 requirements of 49 U.S.C. 47107(b) and 49 U.S.C. 47133 are
8 binding on the State.

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

17 Subject to payment of amounts into the Build Illinois
18 Fund, the McCormick Place Expansion Project Fund, and the
19 Illinois Tax Increment Fund pursuant to the preceding
20 paragraphs or in any amendments to this Section hereafter
21 enacted, beginning on the first day of the first calendar
22 month to occur on or after August 26, 2014 (the effective date
23 of Public Act 98-1098), each month, from the collections made
24 under Section 9 of the Use Tax Act, Section 9 of the Service
25 Use Tax Act, Section 9 of the Service Occupation Tax Act, and
26 Section 3 of the Retailers' Occupation Tax Act, the Department

1 shall pay into the Tax Compliance and Administration Fund, to
2 be used, subject to appropriation, to fund additional auditors
3 and compliance personnel at the Department of Revenue, an
4 amount equal to 1/12 of 5% of 80% of the cash receipts
5 collected during the preceding fiscal year by the Audit Bureau
6 of the Department under the Use Tax Act, the Service Use Tax
7 Act, the Service Occupation Tax Act, the Retailers' Occupation
8 Tax Act, and associated local occupation and use taxes
9 administered by the Department.

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

18 Subject to successful execution and delivery of a
19 public-private agreement between the public agency and private
20 entity and completion of the civic build, beginning on July 1,
21 2023, of the remainder of the moneys received by the
22 Department under the Use Tax Act, the Service Use Tax Act, the
23 Service Occupation Tax Act, and this Act, the Department shall
24 deposit the following specified deposits in the aggregate from
25 collections under the Use Tax Act, the Service Use Tax Act, the
26 Service Occupation Tax Act, and the Retailers' Occupation Tax

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

13	Fiscal Year.....	Total Deposit
14	2024	\$200,000,000
15	2025	\$206,000,000
16	2026	\$212,200,000
17	2027	\$218,500,000
18	2028	\$225,100,000
19	2029	\$288,700,000
20	2030	\$298,900,000
21	2031	\$309,300,000
22	2032	\$320,100,000
23	2033	\$331,200,000
24	2034	\$341,200,000
25	2035	\$351,400,000
26	2036	\$361,900,000

1	2037	\$372,800,000
2	2038	\$384,000,000
3	2039	\$395,500,000
4	2040	\$407,400,000
5	2041	\$419,600,000
6	2042	\$432,200,000
7	2043	\$445,100,000

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

1 Transit District Fund, the Local Government Tax Fund, the
2 Build Illinois Fund, the McCormick Place Expansion Project
3 Fund, the Illinois Tax Increment Fund, and the Tax Compliance
4 and Administration Fund as provided in this Section, the
5 Department shall pay each month into the Road Fund the amount
6 estimated to represent 48% of the net revenue realized from
7 the taxes imposed on motor fuel and gasohol. Beginning July 1,
8 2024 and until July 1, 2026, subject to the payment of amounts
9 into the County and Mass Transit District Fund, the Local
10 Government Tax Fund, the Build Illinois Fund, the McCormick
11 Place Expansion Project Fund, the Illinois Tax Increment Fund,
12 and the Tax Compliance and Administration Fund as provided in
13 this Section, the Department shall pay each month into the
14 Road Fund the amount estimated to represent 64% of the net
15 revenue realized from the taxes imposed on motor fuel and
16 gasohol. Beginning on July 1, 2026, subject to the payment of
17 amounts into the County and Mass Transit District Fund, the
18 Local Government Tax Fund, the Build Illinois Fund, the
19 McCormick Place Expansion Project Fund, the Illinois Tax
20 Increment Fund, and the Tax Compliance and Administration Fund
21 as provided in this Section, the Department shall pay each
22 month into the Public Transportation Fund and the Downstate
23 Public Transportation Fund the amount estimated to represent
24 80% of the net revenue realized from the taxes imposed on motor
25 fuel and gasohol. Moneys shall be apportioned as follows: 85%
26 into the Public Transportation Fund and 15% into the Downstate

1 Public Transportation Fund. As used in this paragraph "motor
2 fuel" has the meaning given to that term in Section 1.1 of the
3 Motor Fuel Tax Law, and "gasohol" has the meaning given to that
4 term in Section 3-40 of the Use Tax Act.

5 Until July 1, 2025, of the remainder of the moneys
6 received by the Department pursuant to this Act, 75% thereof
7 shall be paid into the State treasury and 25% shall be reserved
8 in a special account and used only for the transfer to the
9 Common School Fund as part of the monthly transfer from the
10 General Revenue Fund in accordance with Section 8a of the
11 State Finance Act. Beginning July 1, 2025, of the remainder of
12 the moneys received by the Department pursuant to this Act,
13 75% shall be deposited into the General Revenue Fund and 25%
14 shall be deposited into the Common School Fund.

15 The Department may, upon separate written notice to a
16 taxpayer, require the taxpayer to prepare and file with the
17 Department on a form prescribed by the Department within not
18 less than 60 days after receipt of the notice an annual
19 information return for the tax year specified in the notice.
20 Such annual return to the Department shall include a statement
21 of gross receipts as shown by the retailer's last federal
22 income tax return. If the total receipts of the business as
23 reported in the federal income tax return do not agree with the
24 gross receipts reported to the Department of Revenue for the
25 same period, the retailer shall attach to his annual return a
26 schedule showing a reconciliation of the 2 amounts and the

1 reasons for the difference. The retailer's annual return to
2 the Department shall also disclose the cost of goods sold by
3 the retailer during the year covered by such return, opening
4 and closing inventories of such goods for such year, costs of
5 goods used from stock or taken from stock and given away by the
6 retailer during such year, payroll information of the
7 retailer's business during such year and any additional
8 reasonable information which the Department deems would be
9 helpful in determining the accuracy of the monthly, quarterly,
10 or annual returns filed by such retailer as provided for in
11 this Section.

12 If the annual information return required by this Section
13 is not filed when and as required, the taxpayer shall be liable
14 as follows:

15 (i) Until January 1, 1994, the taxpayer shall be
16 liable for a penalty equal to 1/6 of 1% of the tax due from
17 such taxpayer under this Act during the period to be
18 covered by the annual return for each month or fraction of
19 a month until such return is filed as required, the
20 penalty to be assessed and collected in the same manner as
21 any other penalty provided for in this Act.

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

25 The chief executive officer, proprietor, owner, or highest
26 ranking manager shall sign the annual return to certify the

1 accuracy of the information contained therein. Any person who
2 willfully signs the annual return containing false or
3 inaccurate information shall be guilty of perjury and punished
4 accordingly. The annual return form prescribed by the
5 Department shall include a warning that the person signing the
6 return may be liable for perjury.

7 The provisions of this Section concerning the filing of an
8 annual information return do not apply to a retailer who is not
9 required to file an income tax return with the United States
10 Government.

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

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

22 For greater simplicity of administration, manufacturers,
23 importers and wholesalers whose products are sold at retail in
24 Illinois by numerous retailers, and who wish to do so, may
25 assume the responsibility for accounting and paying to the
26 Department all tax accruing under this Act with respect to

1 such sales, if the retailers who are affected do not make
2 written objection to the Department to this arrangement.

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

20 Any person engaged in the business of selling tangible
21 personal property at retail as a concessionaire or other type
22 of seller at the Illinois State Fair, county fairs, art shows,
23 flea markets, and similar exhibitions or events, or any
24 transient merchants, as defined by Section 2 of the Transient
25 Merchant Act of 1987, may be required to make a daily report of
26 the amount of such sales to the Department and to make a daily

1 payment of the full amount of tax due. The Department shall
2 impose this requirement when it finds that there is a
3 significant risk of loss of revenue to the State at such an
4 exhibition or event. Such a finding shall be based on evidence
5 that a substantial number of concessionaires or other sellers
6 who are not residents of Illinois will be engaging in the
7 business of selling tangible personal property at retail at
8 the exhibition or event, or other evidence of a significant
9 risk of loss of revenue to the State. The Department shall
10 notify concessionaires and other sellers affected by the
11 imposition of this requirement. In the absence of notification
12 by the Department, the concessionaires and other sellers shall
13 file their returns as otherwise required in this Section.

14 (Source: P.A. 103-9, eff. 6-7-23; 103-154, eff. 6-30-23;
15 103-363, eff. 7-28-23; 103-592, Article 75, Section 75-20,
16 eff. 1-1-25; 103-592, Article 110, Section 110-20, eff.
17 6-7-24; 103-605, eff. 7-1-24; 103-1055, eff. 12-20-24; 104-6,
18 Article 5, Section 5-25, eff. 6-16-25; 104-6, Article 25,
19 Section 25-20, eff. 6-16-25; 104-6, Article 35, Section 35-35,
20 eff. 6-16-25; 104-457, eff. 6-1-26.)

21 (35 ILCS 120/50 new)

22 Sec. 50. Building materials exemption; Qualified
23 Residential Development.

24 (a) Beginning July 1, 2028, the tax imposed under this Act
25 on sales of building materials that will be incorporated into

1 a qualified residential development, as designated by the
2 Department of Commerce and Economic Opportunity under Section
3 605-1121 of the Department of Commerce and Economic
4 Opportunity Law of the Civil Administrative Code of Illinois,
5 shall be imposed at the rate of 1.25%.

6 Upon request from the designated qualified residential
7 development, the Department shall issue a Qualified
8 Residential Development Building Materials Exemption
9 Certificate for each construction contractor or other entity
10 identified by the designated qualified residential
11 development. The Department shall make the Exemption
12 Certificates available to each construction contractor or
13 other entity and the designated qualified residential
14 development. The request for Building Materials Exemption
15 Certificates from the designated qualified residential
16 development to the Department must include the following
17 information:

18 (1) the name and address of the construction
19 contractor or other entity;

20 (2) the name and location or address of the
21 designated qualified residential development;

22 (3) the estimated amount of the exemption for each
23 construction contractor or other entity for which a
24 request for Exemption Certificate is made, based on a
25 stated estimated average tax rate and the percentage of
26 the contract that consists of materials;

1 (4) the period of time over which supplies for the
2 project are expected to be purchased; and

3 (5) other reasonable information as the Department
4 may require, including, but not limited to, FEIN numbers,
5 to determine if the contractor or other entity, or any
6 partner, or a corporate officer, and in the case of a
7 limited liability company, any manager or member, of the
8 construction contractor or other entity, is or has been
9 the owner, a partner, a corporate officer, and in the case
10 of a limited liability company, a manager or member, of a
11 person that is in default for moneys due to the Department
12 under this Act or any other tax or fee Act administered by
13 the Department.

14 The Department shall issue the Qualified Residential
15 Development Building Materials Exemption Certificates within 3
16 business days after receipt of request from the designated
17 qualified residential developments. This requirement does not
18 apply in circumstances where the Department, for reasonable
19 cause, is unable to issue the Exemption Certificate within 3
20 business days. The Department may refuse to issue an Exemption
21 Certificate if the owner, any partner, or a corporate officer,
22 and in the case of a limited liability company, any manager or
23 member, of the construction contractor or other entity is or
24 has been the owner, a partner, a corporate officer, and in the
25 case of a limited liability company, a manager or member, of a
26 person that is in default for moneys due to the Department

1 under this Act or any other tax or fee Act administered by the
2 Department. The Qualified Residential Development Building
3 Materials Exemption Certificate shall contain language stating
4 that if the construction contractor or other entity who is
5 issued the Exemption Certificate makes a tax-exempt purchase,
6 as described in this Section, that is not eligible for
7 exemption under this Section or allows another person to make
8 a tax-exempt purchase, as described in this Section, that is
9 not eligible for exemption under this Section, then, in
10 addition to any tax or other penalty imposed, the construction
11 contractor or other entity is subject to a penalty equal to the
12 tax that would have been paid by the retailer under this Act as
13 well as any applicable local retailers' occupation tax on the
14 purchase that is not eligible for the exemption.

15 The Department, in its discretion, may require that the
16 request for Qualified Residential Development Building
17 Materials Exemption Certificates be submitted electronically.
18 The Department may, in its discretion, issue the Exemption
19 Certificates electronically. The Qualified Residential
20 Development Building Materials Exemption Certificate number
21 shall be designed in such a way that the Department can
22 identify from the unique number on the Exemption Certificate
23 issued to a given construction contractor or other entity, the
24 name of the designated qualified residential development and
25 the construction contractor or other entity to whom the
26 Exemption Certificate is issued. The Exemption Certificate

1 shall contain an expiration date, which shall be no more than 2
2 years after the date of issuance. At the request of the
3 designated qualified residential development, the Department
4 may renew an Exemption Certificate. After the Department
5 issues Exemption Certificates for a given designated qualified
6 residential development, the designated qualified residential
7 development may notify the Department of additional
8 construction contractors or other entities eligible for a
9 Building Materials Exemption Certificate. Upon notification by
10 the designated qualified residential development and subject
11 to the other provisions of this subsection (b), the Department
12 shall issue a Qualified Residential Development Building
13 Materials Exemption Certificate to each additional
14 construction contractor or other entity identified by the
15 designated qualified residential development. A designated
16 qualified residential development may notify the Department to
17 rescind a Building Materials Exemption Certificate previously
18 issued by the Department but that has not yet expired. Upon
19 notification by the designated qualified residential
20 development and subject to the other provisions of this
21 subsection (b), the Department shall issue the rescission of
22 the Building Materials Exemption Certificate to the
23 construction contractor or other entity identified by the
24 designated qualified residential development and provide a
25 copy to the designated qualified residential development.

26 If the Department of Revenue determines that a

1 construction contractor or other entity that was issued an
2 Exemption Certificate under this subsection (b) made a
3 tax-exempt purchase, as described in this Section, that was
4 not eligible for exemption under this Section or allowed
5 another person to make a tax-exempt purchase, as described in
6 this Section, that was not eligible for exemption under this
7 Section, then, in addition to any tax or other penalty
8 imposed, the construction contractor or other entity is
9 subject to a penalty equal to the tax that would have been paid
10 by the retailer under this Act as well as any applicable local
11 retailers' occupation tax on the purchase that was not
12 eligible for the exemption.

13 (b) In addition to any other requirements to document the
14 exemption allowed under this Section, the retailer must obtain
15 from the purchaser the purchaser's qualified residential
16 development Building Materials Exemption Certificate number
17 issued by the Department. A construction contractor or other
18 entity shall not make tax-free purchases unless it has an
19 active Exemption Certificate issued by the Department at the
20 time of purchase.

21 Section 60. The Property Tax Code is amended by changing
22 Section 31-35 as follows:

23 (35 ILCS 200/31-35)

24 Sec. 31-35. Deposit of tax revenue.

1 (a) Beginning on June 6, 2002 (the effective date of
2 Public Act 92-536) and through June 30, 2003, of the moneys
3 collected under Section 31-15, 50% shall be deposited into the
4 Illinois Affordable Housing Trust Fund, 20% into the Open
5 Space Lands Acquisition and Development Fund, 5% into the
6 Natural Areas Acquisition Fund, and 25% into the General
7 Revenue Fund.

8 (b) Beginning July 1, 2003, and through June 30, 2025, of
9 the moneys collected under Section 31-15, 50% shall be
10 deposited into the Illinois Affordable Housing Trust Fund, 35%
11 into the Open Space Lands Acquisition and Development Fund,
12 and 15% into the Natural Areas Acquisition Fund.

13 (c) Beginning July 1, 2025 and until July 1, 2028, of the
14 moneys collected under Section 31-15, the first \$300,000 shall
15 be deposited into the Governor's Administrative Fund each
16 fiscal year. After all required deposits into the Governor's
17 Administrative Fund have been made, the remainder shall be
18 deposited as follows:

19 (1) 50% into the Illinois Affordable Housing Trust
20 Fund;

21 (2) 35% into the Open Space Lands Acquisition and
22 Development Fund; and

23 (3) 15% into the Natural Areas Acquisition Fund.

24 (d) Beginning July 1, 2028, of the moneys collected under
25 Section 31-15, the first \$300,000 shall be deposited into the
26 Governor's Administrative Fund each fiscal year. After all

1 required deposits into the Governor's Administrative Fund have
2 been made, the next \$30,000,000 shall be deposited into the
3 Veterans Property Tax Relief Reimbursement Pilot Program Fund.
4 After all required deposits into the Governor's Administrative
5 Fund and the Veterans Property Tax Relief Reimbursement Pilot
6 Program Fund have been made, the remainder shall be deposited
7 as follows:

8 (1) 50% into the Illinois Affordable Housing Trust
9 Fund;

10 (2) 35% into the Open Space Lands Acquisition and
11 Development Fund; and

12 (3) 15% into the Natural Areas Acquisition Fund.

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

14 (50 ILCS 825/Act rep.)

15 Section 65. The Rent Control Preemption Act is repealed.

16 Section 70. The Counties Code is amended by adding
17 Sections 5-2008 and 5-12025 as follows:

18 (55 ILCS 5/5-2008 new)

19 Sec. 5-2008. Local Government Distributive Fund excess
20 revenues.

21 (a) As used in this Section:

22 "Fund" means the Local Government Distributive Fund.

23 "Property tax relief" means: (i) a reduction in the

1 property tax levy; (ii) property tax abatement; or (iii) the
2 avoidance of a levy increase that would otherwise be necessary
3 to fund general operations.

4 (b) A county may opt in, by resolution, to participate in
5 the receipt of Local Government Distributive Fund revenues
6 that exceed an amount of 8% of State income tax collections
7 distributed to the Local Government Distributive Fund.

8 (c) A county that elects to participate shall use the
9 revenues received under subsection (b) to provide property tax
10 relief in an amount equal to the increase received from the
11 Fund. The amount of required property tax relief shall be
12 calculated as the total dollar increase in Local Government
13 Distributive Fund revenues received above the 8% threshold in
14 that fiscal year.

15 (d) A county's resolution shall be adopted annually,
16 following the enactment of the State budget and prior to the
17 adoption of the county's property tax levy. Property tax
18 relief provided under this Section shall be implemented in the
19 next applicable levy cycle following the receipt of such
20 funds.

21 (e) A county shall demonstrate compliance with this
22 Section through its annual budget, levy ordinance, abatement
23 documentation, or other official financial records.

24 (f) This Section applies only to Fund revenues distributed
25 to counties in excess of the 8% threshold. This Section does
26 not apply to base Fund revenues at or below 8%. Nothing in this

1 Section shall be construed to:

2 (1) require a county to reduce its total property tax
3 levy below the amount levied in the prior year;

4 (2) limit the authority of a county to make budgetary
5 or levy decisions consistent with applicable law;

6 (3) restrict the use of Fund revenues received in
7 prior fiscal years; or

8 (4) require a county to participate in this program.

9 (55 ILCS 5/5-12025 new)

10 Sec. 5-12025. Local housing innovation and flexibility.

11 (a) As used in this Section:

12 "Accessory dwelling unit" means a residential living unit
13 that is located on a lot containing a single-family dwelling,
14 that provides independent living facilities for one or more
15 persons, including provisions for sleeping, eating, cooking,
16 and sanitation, on the same parcel of land as the principal
17 dwelling unit it accompanies, and that is either separated
18 from or attached to the primary dwelling unit.

19 "Area median income" means the median family income for
20 the area, as determined by the United States Department of
21 Housing and Urban Development, with adjustments for family
22 size.

23 "Blighted property" means any residential or commercial
24 structure that a county has determined is vacant, abandoned,
25 unsafe, structurally unsound, or unfit for occupancy.

1 "By-right overlay district for middle housing" means a
2 zoning district superimposed on one or more other zoning
3 districts within the county's zoning jurisdiction in which
4 middle housing development projects that meet preset criteria
5 established by the county may proceed without further
6 discretionary review or public hearings.

7 "Middle housing" means small-scale, multiunit residential
8 housing types that are compatible with single-family
9 neighborhoods and accessible to households earning between 80%
10 and 140% of the area median income. "Middle housing" includes
11 duplexes, triplexes, fourplexes, and accessory dwelling units.

12 "Program" means the Middle Housing Incentive Program
13 created under Section 605-1120 of the Department of Commerce
14 and Economic Opportunity Law of the Civil Administrative Code
15 of Illinois.

16 (b) A county may establish a by-right overlay district for
17 middle housing, adopt parking flexibility measures for
18 residential developments, authorize adaptive reuse of
19 underused structures for residential use, and adopt
20 single-stairwell residential building provisions in accordance
21 with this Section.

22 (c) A county may establish by-right overlay districts for
23 middle housing. Within such districts, a county may:

24 (1) streamline processes for obtaining permits and
25 other approvals needed for the development and
26 construction of new middle housing;

1 (2) establish clear, objective standards for the
2 development and construction of new middle housing; and

3 (3) maintain local control over infrastructure
4 capacity determinations, including control over design and
5 safety requirements for middle housing.

6 (d) A county may reduce or eliminate minimum off-street
7 parking requirements for residential developments, waive or
8 modify electric vehicle infrastructure requirements where
9 parking reductions are permitted under this Act, and allow
10 alternative compliance measures, including shared parking,
11 off-site parking or transportation demand strategies. Any
12 reduction in minimum off-street parking requirements for
13 residential developments must maintain emergency vehicle
14 access standards and preserve and recognize the importance of
15 maintaining consistency with accessible parking requirements
16 under the federal Americans with Disabilities Act. A county
17 that adopts parking flexibility measures for qualifying
18 residential developments may receive priority consideration
19 for State housing, infrastructure, or economic development
20 funding. Nothing in this Section shall be construed to require
21 a unit of local government to reduce or eliminate parking
22 requirements.

23 (e) A county may allow the conversion of existing
24 commercial or underused structures into middle housing in
25 accordance with locally adopted standards and procedures.

26 (f) A county may:

1 (1) identify, designate, and prioritize blighted
2 properties for demolition, rehabilitation, or
3 redevelopment in accordance with locally adopted standards
4 and procedures;

5 (2) use any existing statutory authorization,
6 including, but not limited to, expedited acquisition
7 procedures permitted under existing law, to acquire
8 blighted properties for the purpose of eliminating unsafe
9 conditions and facilitating redevelopment;

10 (3) transfer cleared or remediated properties at no
11 cost or reduced cost to qualified developers;

12 (4) prioritize projects that include single-family
13 homes, duplexes, triplexes, fourplexes, or other middle
14 housing; and

15 (5) require, as a condition of transfer or assistance,
16 that such properties be marketed for owner-occupancy or
17 long-term rental housing; and

18 (6) establish local criteria to:

19 (A) prioritize owner-occupied housing
20 opportunities;

21 (B) encourage development affordable to households
22 at or below specified income thresholds; and

23 (C) support neighborhood stabilization and
24 reinvestment.

25 Nothing in this subsection shall be construed to expand a
26 county's eminent domain power beyond that permitted under

1 existing law. In taking actions under this subsection, a
2 county shall give priority to redevelopment that results in
3 owner-occupied housing.

4 (g) A county that operates or controls a utility may:

5 (1) provide flexibility for middle housing
6 developments, including:

7 (A) deferral of utility connection fees until a
8 certificate of occupancy is issued;

9 (B) phased payment structures; and

10 (C) fee reductions or waivers where appropriate to
11 support housing affordability; and

12 (2) allow alternative or cost-effective stormwater
13 compliance options for qualifying residential
14 developments, consistent with public safety and
15 environmental standards.

16 Nothing in this subsection shall be construed to create or
17 encourage any new tax, fee, or charge or to limit a county's
18 existing power to impose water, sewer, or storm water-related
19 charges in accordance with applicable law.

20 (h) A county may allow impact fees associated with
21 residential development to be paid on or before the issuance
22 of a certificate of occupancy, rather than at the time of
23 permit issuance. Impact fees shall be reasonably related to
24 the estimated actual and proportionate cost of infrastructure
25 necessitated by the development. A county shall not impose
26 impact fees for infrastructure improvements that are otherwise

1 required to be constructed or funded directly by the
2 developer. A county imposing impact fees shall maintain a fee
3 study consistent with applicable law demonstrating the basis
4 for the calculation of the fees. The studies shall be publicly
5 available and periodically updated to reflect current
6 infrastructure costs and development conditions. Any county
7 that adopts impact fee deferrals, reductions, or other
8 flexibility measures for qualifying residential developments
9 may receive priority consideration for State housing,
10 infrastructure, or economic development funding. Nothing in
11 this Section shall be construed to limit local authority to
12 impose impact fees, establish a statewide fee schedule or
13 formula, require a county to impose impact fees, restrict the
14 use of development agreements between a county and developers,
15 or expand the authority of a county to impose impact fees
16 beyond existing law.

17 (i) A county may consider whether existing or planned
18 infrastructure, public services, and community resources are
19 sufficient to support a proposed residential development. In
20 evaluating a proposed development, a county may consider the
21 availability and capacity of sanitary sewer systems; water
22 supply and distribution systems; stormwater management
23 infrastructure; and transportation and roadway capacity. A
24 county may consider the impact of development on police
25 services; fire protection; emergency response times and
26 access; local school capacity; parks and recreational

1 facilities; and other community services. A county may
2 consider consistency with its adopted comprehensive plan or
3 other planning documents in evaluating proposed development. A
4 county may consider the cumulative impact of multiple
5 developments within a service area when evaluating
6 infrastructure and service capacity. A county may require
7 verification that adequate sanitary sewer capacity is
8 available to serve the proposed development, consistent with
9 applicable State and federal regulations, including those
10 administered by the Illinois Environmental Protection Agency.
11 For developments relying on private water or wastewater
12 systems, a county may require demonstration that such systems
13 can support the proposed use without creating risk to public
14 health or environmental quality. Nothing in this subsection
15 shall be construed to limit local authority to protect public
16 health, safety, and welfare.

17 (j) Notwithstanding any other law, a county may regulate
18 or prohibit the installation of a solar energy system or an
19 energy storage system within its jurisdiction if the
20 regulation or prohibition is supported by a documented
21 planning process and if it can demonstrate a record of a
22 documented planning process of not less than 60 days,
23 including public notice, opportunity for comment and
24 consideration of the property where the solar energy system or
25 energy storage system is proposed to be sited. If a planning
26 record exists, a county may regulate or prohibit the solar

1 energy system or energy system in a manner consistent with its
2 comprehensive plan, its zoning authority, and applicable land
3 use regulations.

4 (k) A county may, by ordinance or referendum, adopt
5 locally tailored rent stabilization measures. Such measures
6 may include exemptions for landlords or property owners
7 controlling 4 or fewer units within the county.

8 (l) A county may adopt building code provisions allowing
9 single-stairwell residential building designs, provided such
10 buildings meet applicable height and unit count limitations
11 and incorporate enhanced fire safety measures, including but
12 not limited to: fire-resistant construction; automatic
13 sprinkler systems; fire alarm and detection systems; and smoke
14 control or ventilation measures as required. The Office of the
15 State Fire Marshal may develop model standards or guidance for
16 any county choosing to adopt such provisions. Nothing in this
17 Section shall be construed to require a county to adopt
18 single-stairwell provisions or preempt local building or fire
19 code authority.

20 (m) A county may exercise the powers described in this
21 Section by ordinance and may maintain local control of design,
22 public safety, infrastructure capacity, and development
23 standards.

24 (n) Nothing in this Section requires a county to adopt any
25 zoning, parking, or building code changes.

1 Section 75. The Illinois Municipal Code is amended by
2 adding Sections 8-11-25 and 11-13-30 and by changing Sections
3 11-15.5-10 and 11-74.4-3 as follows:

4 (65 ILCS 5/8-11-25 new)

5 Sec. 8-11-25. Local Government Distributive Fund excess
6 revenues.

7 (a) As used in this Section:

8 "Fund" means the Local Government Distributive Fund.

9 "Property tax relief" means: (i) a reduction in the
10 property tax levy; (ii) property tax abatement; or (iii) the
11 avoidance of a levy increase that would otherwise be necessary
12 to fund general operations.

13 (b) A municipality may opt in, by resolution, to
14 participate in the receipt of Local Government Distributive
15 Fund revenues that exceed an amount of 8% of State income tax
16 collections distributed to the Local Government Distributive
17 Fund.

18 (c) A municipality that elects to participate shall use
19 the revenues received under subsection (b) to provide property
20 tax relief in an amount equal to the increase received from the
21 Fund. The amount of required property tax relief shall be
22 calculated as the total dollar increase in Local Government
23 Distributive Fund revenues received above the 8% threshold in
24 that fiscal year.

25 (d) A municipality's resolution shall be adopted annually,

1 following the enactment of the State budget and prior to the
2 adoption of the municipality's property tax levy. Property tax
3 relief provided under this Section shall be implemented in the
4 next applicable levy cycle following the receipt of such
5 funds.

6 (e) A municipality shall demonstrate compliance with this
7 Section through its annual budget, levy ordinance, abatement
8 documentation, or other official financial records.

9 (f) This Section applies only to Fund revenues distributed
10 to municipalities in excess of the 8% threshold. This Section
11 does not apply to base Fund revenues at or below 8%. Nothing in
12 this Section shall be construed to:

13 (1) require a municipality to reduce its total
14 property tax levy below the amount levied in the prior
15 year;

16 (2) limit the authority of a municipality to make
17 budgetary or levy decisions consistent with applicable
18 law;

19 (3) restrict the use of Fund revenues received in
20 prior fiscal years; or

21 (4) require a municipality to participate in this
22 program.

23 (65 ILCS 5/11-13-30 new)

24 Sec. 11-13-30. Local housing innovation and flexibility.

25 (a) As used in this Section:

1 "Accessory dwelling unit" means a residential living unit
2 that is located on a lot containing a single-family dwelling,
3 that provides independent living facilities for one or more
4 persons, including provisions for sleeping, eating, cooking,
5 and sanitation, on the same parcel of land as the principal
6 dwelling unit it accompanies, and that is either separated
7 from or attached to the primary dwelling unit.

8 "Area median income" means the median family income for
9 the area, as determined by the United States Department of
10 Housing and Urban Development, with adjustments for family
11 size.

12 "Blighted property" means any residential or commercial
13 structure that a municipality has determined is vacant,
14 abandoned, unsafe, structurally unsound, or unfit for
15 occupancy.

16 "By-right overlay district for middle housing" means a
17 zoning district superimposed on one or more other zoning
18 districts within the municipality's zoning jurisdiction in
19 which middle housing development projects that meet preset
20 criteria established by the municipality may proceed without
21 further discretionary review or public hearings.

22 "Middle housing" means small-scale, multiunit residential
23 housing types that are compatible with single-family
24 neighborhoods and accessible to households earning between 80%
25 and 140% of the area median income. "Middle housing" includes
26 duplexes, triplexes, fourplexes, and accessory dwelling units.

1 "State agency" has the meaning given in Section 405-5 of
2 the Department of Central Management Services Law of the Civil
3 Administrative Code of Illinois.

4 (b) A municipality may establish a by-right overlay
5 district for middle housing, adopt parking flexibility
6 measures for residential development, authorize adaptive reuse
7 of underutilized structures for residential use, and adopt
8 single-stairwell residential building provisions consistent
9 with this Section.

10 (c) A municipality may establish by-right overlay
11 districts for middle housing. Within such districts,
12 municipalities may:

13 (1) streamline processes for obtaining permits and
14 other approvals needed for the development and
15 construction of new middle housing;

16 (2) establish clear, objective standards for the
17 development and construction of new middle housing; and

18 (3) maintain its local control over infrastructure
19 capacity determinations, including control over design and
20 safety requirements for middle housing.

21 (d) A municipality may reduce or eliminate minimum
22 off-street parking requirements for residential developments,
23 waive or modify electric vehicle infrastructure requirements
24 where parking reductions are permitted under this Act, and
25 allow alternative compliance measures, including shared
26 parking, off-site parking or transportation demand strategies.

1 Any reduction in minimum off-street parking requirements for
2 residential developments must maintain emergency vehicle
3 access standards and preserve and recognize the importance of
4 maintaining consistency with accessible parking requirements
5 under the federal Americans with Disabilities Act. A
6 municipality that adopts parking flexibility measures for
7 qualifying residential developments may receive priority
8 consideration for State housing, infrastructure, or economic
9 development funding. Nothing in this Section shall be
10 construed to require a unit of local government to reduce or
11 eliminate parking requirements.

12 (e) A municipality may allow the conversion of existing
13 commercial or underused structures into middle housing in
14 accordance with locally adopted standards and procedures.

15 (f) A municipality may:

16 (1) identify, designate, and prioritize blighted
17 properties for demolition, rehabilitation, or
18 redevelopment in accordance with locally adopted standards
19 and procedures;

20 (2) use any existing statutory authorization,
21 including, but not limited to, expedited acquisition
22 procedures permitted under existing law, to acquire
23 blighted properties for the purpose of eliminating unsafe
24 conditions and facilitating redevelopment;

25 (3) transfer cleared or remediated properties at no
26 cost or reduced cost to qualified developers;

1 (4) prioritize projects that include single-family
2 homes, duplexes, triplexes, fourplexes, or other middle
3 housing; and

4 (5) require, as a condition of transfer or assistance,
5 that such properties be marketed for owner-occupancy or
6 long-term rental housing; and

7 (6) establish local criteria to:

8 (A) prioritize owner-occupied housing
9 opportunities;

10 (B) encourage development affordable to households
11 at or below specified income thresholds; and

12 (C) support neighborhood stabilization and
13 reinvestment.

14 Nothing in this subsection shall be construed to expand a
15 municipality's eminent domain power beyond that permitted
16 under existing law. In taking actions under this subsection, a
17 municipality shall give priority to redevelopment that results
18 in owner-occupied housing.

19 (g) A municipality that operates or controls a utility
20 may:

21 (1) provide flexibility for middle housing
22 developments, including:

23 (A) deferral of utility connection fees until a
24 certificate of occupancy is issued;

25 (B) phased payment structures; and

26 (C) fee reductions or waivers where appropriate to

1 support housing affordability; and
2 (2) allow alternative or cost-effective stormwater
3 compliance options for qualifying residential
4 developments, consistent with public safety and
5 environmental standards.

6 Nothing in this subsection shall be construed to create or
7 encourage any new tax, fee, or charge or to limit a
8 municipality's existing power to impose water, sewer, or storm
9 water-related charges in accordance with applicable law.

10 (h) A municipality may allow impact fees associated with
11 residential development to be paid on or before the issuance
12 of a certificate of occupancy, rather than at the time of
13 permit issuance. Impact fees shall be reasonably related to
14 the estimated actual and proportionate cost of infrastructure
15 necessitated by the development. A municipality shall not
16 impose impact fees for infrastructure improvements that are
17 otherwise required to be constructed or funded directly by the
18 developer. A municipality imposing impact fees shall maintain
19 a fee study consistent with applicable law demonstrating the
20 basis for the calculation of the fees. The studies shall be
21 publicly available and periodically updated to reflect current
22 infrastructure costs and development conditions. Any
23 municipality that adopts impact fee deferrals, reductions, or
24 other flexibility measures for qualifying residential
25 developments may receive priority consideration for State
26 housing, infrastructure, or economic development funding.

1 Nothing in this Section shall be construed to limit local
2 authority to impose impact fees, establish a statewide fee
3 schedule or formula, require a municipality to impose impact
4 fees, restrict the use of development agreements between a
5 municipality and developers, or expand the authority of a
6 municipality to impose impact fees beyond existing law.

7 (i) A municipality may consider whether existing or
8 planned infrastructure, public services, and community
9 resources are sufficient to support a proposed residential
10 development. In evaluating a proposed development, a
11 municipality may consider the availability and capacity of
12 sanitary sewer systems; water supply and distribution systems;
13 stormwater management infrastructure; and transportation and
14 roadway capacity. A municipality may consider the impact of
15 development on police services; fire protection; emergency
16 response times and access; local school capacity; parks and
17 recreational facilities; and other community services. A
18 municipality may consider consistency with its adopted
19 comprehensive plan or other planning documents in evaluating
20 proposed development. A municipality may consider the
21 cumulative impact of multiple developments within a service
22 area when evaluating infrastructure and service capacity. A
23 municipality may require verification that adequate sanitary
24 sewer capacity is available to serve the proposed development,
25 consistent with applicable State and federal regulations,
26 including those administered by the Illinois Environmental

1 Protection Agency. For developments relying on private water
2 or wastewater systems, a municipality may require
3 demonstration that such systems can support the proposed use
4 without creating risk to public health or environmental
5 quality. Nothing in this subsection shall be construed to
6 limit local authority to protect public health, safety, and
7 welfare.

8 (j) Notwithstanding any other law, a municipality may
9 regulate or prohibit the installation of a solar energy system
10 or an energy storage system within its jurisdiction if the
11 regulation or prohibition is supported by a documented
12 planning process and if it can demonstrate a record of a
13 documented planning process of not less than 60 days,
14 including public notice, opportunity for comment and
15 consideration of the property where the solar energy system or
16 energy storage system is proposed to be sited. If a planning
17 record exists, a municipality may regulate or prohibit the
18 solar energy system or energy system in a manner consistent
19 with its comprehensive plan, its zoning authority, and
20 applicable land use regulations. This authorization shall
21 include the ability to regulate or prohibit such systems
22 within any local extraterritorial zoning jurisdiction,
23 including areas within one and one-half miles of its corporate
24 limits, as authorized by law.

25 (k) A municipality may, by ordinance or referendum, adopt
26 locally tailored rent stabilization measures. Such measures

1 may include exemptions for landlords or property owners
2 controlling 4 or fewer units within the municipality.

3 (l) A municipality may adopt building code provisions
4 allowing single-stairwell residential building designs,
5 provided such buildings meet applicable height and unit count
6 limitations and incorporate enhanced fire safety measures,
7 including but not limited to: fire-resistant construction;
8 automatic sprinkler systems; fire alarm and detection systems;
9 and smoke control or ventilation measures as required. The
10 Office of the State Fire Marshal may develop model standards
11 or guidance for any municipality choosing to adopt such
12 provisions. Nothing in this Section shall be construed to
13 require a municipality to adopt single-stairwell provisions or
14 preempt local building or fire code authority.

15 (m) A municipality may exercise the powers described in
16 this Section by ordinance and may maintain local control of
17 design, public safety, infrastructure capacity, and
18 development standards.

19 (n) Nothing in this Section requires a municipality to
20 adopt any zoning, parking, or building code changes.

21 (65 ILCS 5/11-15.5-10)

22 (This Section may contain text from a Public Act with a
23 delayed effective date)

24 Sec. 11-15.5-10. Prohibitions. A municipality may regulate
25 or prohibit the installation of a solar energy system or

1 low-voltage solar-powered devices in a way that is consistent
2 with the municipality's comprehensive plan or zoning
3 authority, including within the municipality's one and
4 one-half mile extraterritorial zoning jurisdiction.

5 ~~Notwithstanding any provision of this Code or other provision~~
6 ~~of law, the adoption of any ordinance or resolution or the~~
7 ~~exercise of any power, by municipality that prohibits or has~~
8 ~~the effect of prohibiting the installation of a solar energy~~
9 ~~system or low voltage solar powered devices is expressly~~
10 ~~prohibited.~~ Municipalities that own local electric
11 distribution systems may adopt and implement reasonable
12 policies, consistent with Section 17-900 of the Public
13 Utilities Act, regarding the interconnection and use of solar
14 energy systems.

15 (Source: P.A. 104-458, eff. 6-1-26.)

16 (65 ILCS 5/11-74.4-3) (from Ch. 24, par. 11-74.4-3)

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

18 Sec. 11-74.4-3. Definitions. The following terms, wherever
19 used or referred to in this Division 74.4 shall have the
20 following respective meanings, unless in any case a different
21 meaning clearly appears from the context.

22 (a) For any redevelopment project area that has been
23 designated pursuant to this Section by an ordinance adopted
24 prior to November 1, 1999 (the effective date of Public Act
25 91-478), "blighted area" shall have the meaning set forth in

1 this Section prior to that date.

2 On and after November 1, 1999, "blighted area" means any
3 improved or vacant area within the boundaries of a
4 redevelopment project area located within the territorial
5 limits of the municipality where:

6 (1) If improved, industrial, commercial, and
7 residential buildings or improvements are detrimental to
8 the public safety, health, or welfare because of a
9 combination of 5 or more of the following factors, each of
10 which is (i) present, with that presence documented, to a
11 meaningful extent so that a municipality may reasonably
12 find that the factor is clearly present within the intent
13 of the Act and (ii) reasonably distributed throughout the
14 improved part of the redevelopment project area:

15 (A) Dilapidation. An advanced state of disrepair
16 or neglect of necessary repairs to the primary
17 structural components of buildings or improvements in
18 such a combination that a documented building
19 condition analysis determines that major repair is
20 required or the defects are so serious and so
21 extensive that the buildings must be removed.

22 (B) Obsolescence. The condition or process of
23 falling into disuse. Structures have become ill-suited
24 for the original use.

25 (C) Deterioration. With respect to buildings,
26 defects including, but not limited to, major defects

1 in the secondary building components such as doors,
2 windows, porches, gutters and downspouts, and fascia.
3 With respect to surface improvements, that the
4 condition of roadways, alleys, curbs, gutters,
5 sidewalks, off-street parking, and surface storage
6 areas evidence deterioration, including, but not
7 limited to, surface cracking, crumbling, potholes,
8 depressions, loose paving material, and weeds
9 protruding through paved surfaces.

10 (D) Presence of structures below minimum code
11 standards. All structures that do not meet the
12 standards of zoning, subdivision, building, fire, and
13 other governmental codes applicable to property, but
14 not including housing and property maintenance codes.

15 (E) Illegal use of individual structures. The use
16 of structures in violation of applicable federal,
17 State, or local laws, exclusive of those applicable to
18 the presence of structures below minimum code
19 standards.

20 (F) Excessive vacancies. The presence of buildings
21 that are unoccupied or under-utilized and that
22 represent an adverse influence on the area because of
23 the frequency, extent, or duration of the vacancies.

24 (G) Lack of ventilation, light, or sanitary
25 facilities. The absence of adequate ventilation for
26 light or air circulation in spaces or rooms without

1 windows, or that require the removal of dust, odor,
2 gas, smoke, or other noxious airborne materials.
3 Inadequate natural light and ventilation means the
4 absence of skylights or windows for interior spaces or
5 rooms and improper window sizes and amounts by room
6 area to window area ratios. Inadequate sanitary
7 facilities refers to the absence or inadequacy of
8 garbage storage and enclosure, bathroom facilities,
9 hot water and kitchens, and structural inadequacies
10 preventing ingress and egress to and from all rooms
11 and units within a building.

12 (H) Inadequate utilities. Underground and overhead
13 utilities such as storm sewers and storm drainage,
14 sanitary sewers, water lines, and gas, telephone, and
15 electrical services that are shown to be inadequate.
16 Inadequate utilities are those that are: (i) of
17 insufficient capacity to serve the uses in the
18 redevelopment project area, (ii) deteriorated,
19 antiquated, obsolete, or in disrepair, or (iii)
20 lacking within the redevelopment project area.

21 (I) Excessive land coverage and overcrowding of
22 structures and community facilities. The
23 over-intensive use of property and the crowding of
24 buildings and accessory facilities onto a site.
25 Examples of problem conditions warranting the
26 designation of an area as one exhibiting excessive

1 land coverage are: (i) the presence of buildings
2 either improperly situated on parcels or located on
3 parcels of inadequate size and shape in relation to
4 present-day standards of development for health and
5 safety and (ii) the presence of multiple buildings on
6 a single parcel. For there to be a finding of excessive
7 land coverage, these parcels must exhibit one or more
8 of the following conditions: insufficient provision
9 for light and air within or around buildings,
10 increased threat of spread of fire due to the close
11 proximity of buildings, lack of adequate or proper
12 access to a public right-of-way, lack of reasonably
13 required off-street parking, or inadequate provision
14 for loading and service.

15 (J) Deleterious land use or layout. The existence
16 of incompatible land-use relationships, buildings
17 occupied by inappropriate mixed-uses, or uses
18 considered to be noxious, offensive, or unsuitable for
19 the surrounding area.

20 (K) Environmental clean-up. The proposed
21 redevelopment project area has incurred Illinois
22 Environmental Protection Agency or United States
23 Environmental Protection Agency remediation costs for,
24 or a study conducted by an independent consultant
25 recognized as having expertise in environmental
26 remediation has determined a need for, the clean-up of

1 hazardous waste, hazardous substances, or underground
2 storage tanks required by State or federal law,
3 provided that the remediation costs constitute a
4 material impediment to the development or
5 redevelopment of the redevelopment project area.

6 (L) Lack of community planning. The proposed
7 redevelopment project area was developed prior to or
8 without the benefit or guidance of a community plan.
9 This means that the development occurred prior to the
10 adoption by the municipality of a comprehensive or
11 other community plan or that the plan was not followed
12 at the time of the area's development. This factor
13 must be documented by evidence of adverse or
14 incompatible land-use relationships, inadequate street
15 layout, improper subdivision, parcels of inadequate
16 shape and size to meet contemporary development
17 standards, or other evidence demonstrating an absence
18 of effective community planning.

19 (M) The total equalized assessed value of the
20 proposed redevelopment project area has declined for 3
21 of the last 5 calendar years prior to the year in which
22 the redevelopment project area is designated or is
23 increasing at an annual rate that is less than the
24 balance of the municipality for 3 of the last 5
25 calendar years for which information is available or
26 is increasing at an annual rate that is less than the

1 Consumer Price Index for All Urban Consumers published
2 by the United States Department of Labor or successor
3 agency for 3 of the last 5 calendar years prior to the
4 year in which the redevelopment project area is
5 designated.

6 (2) If vacant, the sound growth of the redevelopment
7 project area is impaired by a combination of 2 or more of
8 the following factors, each of which is (i) present, with
9 that presence documented, to a meaningful extent so that a
10 municipality may reasonably find that the factor is
11 clearly present within the intent of the Act and (ii)
12 reasonably distributed throughout the vacant part of the
13 redevelopment project area to which it pertains:

14 (A) Obsolete platting of vacant land that results
15 in parcels of limited or narrow size or configurations
16 of parcels of irregular size or shape that would be
17 difficult to develop on a planned basis and in a manner
18 compatible with contemporary standards and
19 requirements, or platting that failed to create
20 rights-of-ways for streets or alleys or that created
21 inadequate right-of-way widths for streets, alleys, or
22 other public rights-of-way or that omitted easements
23 for public utilities.

24 (B) Diversity of ownership of parcels of vacant
25 land sufficient in number to retard or impede the
26 ability to assemble the land for development.

1 (C) Tax and special assessment delinquencies exist
2 or the property has been the subject of tax sales under
3 the Property Tax Code within the last 5 years.

4 (D) Deterioration of structures or site
5 improvements in neighboring areas adjacent to the
6 vacant land.

7 (E) The area has incurred Illinois Environmental
8 Protection Agency or United States Environmental
9 Protection Agency remediation costs for, or a study
10 conducted by an independent consultant recognized as
11 having expertise in environmental remediation has
12 determined a need for, the clean-up of hazardous
13 waste, hazardous substances, or underground storage
14 tanks required by State or federal law, provided that
15 the remediation costs constitute a material impediment
16 to the development or redevelopment of the
17 redevelopment project area.

18 (F) The total equalized assessed value of the
19 proposed redevelopment project area has declined for 3
20 of the last 5 calendar years prior to the year in which
21 the redevelopment project area is designated or is
22 increasing at an annual rate that is less than the
23 balance of the municipality for 3 of the last 5
24 calendar years for which information is available or
25 is increasing at an annual rate that is less than the
26 Consumer Price Index for All Urban Consumers published

1 by the United States Department of Labor or successor
2 agency for 3 of the last 5 calendar years prior to the
3 year in which the redevelopment project area is
4 designated.

5 (3) If vacant, the sound growth of the redevelopment
6 project area is impaired by one of the following factors
7 that (i) is present, with that presence documented, to a
8 meaningful extent so that a municipality may reasonably
9 find that the factor is clearly present within the intent
10 of the Act and (ii) is reasonably distributed throughout
11 the vacant part of the redevelopment project area to which
12 it pertains:

13 (A) The area consists of one or more unused
14 quarries, mines, or strip mine ponds.

15 (B) The area consists of unused rail yards, rail
16 tracks, or railroad rights-of-way.

17 (C) The area, prior to its designation, is subject
18 to (i) chronic flooding that adversely impacts on real
19 property in the area as certified by a registered
20 professional engineer or appropriate regulatory agency
21 or (ii) surface water that discharges from all or a
22 part of the area and contributes to flooding within
23 the same watershed, but only if the redevelopment
24 project provides for facilities or improvements to
25 contribute to the alleviation of all or part of the
26 flooding.

1 (D) The area consists of an unused or illegal
2 disposal site containing earth, stone, building
3 debris, or similar materials that were removed from
4 construction, demolition, excavation, or dredge sites.

5 (E) Prior to November 1, 1999, the area is not less
6 than 50 nor more than 100 acres and 75% of which is
7 vacant (notwithstanding that the area has been used
8 for commercial agricultural purposes within 5 years
9 prior to the designation of the redevelopment project
10 area), and the area meets at least one of the factors
11 itemized in paragraph (1) of this subsection, the area
12 has been designated as a town or village center by
13 ordinance or comprehensive plan adopted prior to
14 January 1, 1982, and the area has not been developed
15 for that designated purpose.

16 (F) The area qualified as a blighted improved area
17 immediately prior to becoming vacant, unless there has
18 been substantial private investment in the immediately
19 surrounding area.

20 (b) For any redevelopment project area that has been
21 designated pursuant to this Section by an ordinance adopted
22 prior to November 1, 1999 (the effective date of Public Act
23 91-478), "conservation area" shall have the meaning set forth
24 in this Section prior to that date.

25 On and after November 1, 1999, "conservation area" means
26 any improved area within the boundaries of a redevelopment

1 project area located within the territorial limits of the
2 municipality in which 50% or more of the structures in the area
3 have an age of 35 years or more. Such an area is not yet a
4 blighted area but because of a combination of 3 or more of the
5 following factors is detrimental to the public safety, health,
6 morals or welfare and such an area may become a blighted area:

7 (1) Dilapidation. An advanced state of disrepair or
8 neglect of necessary repairs to the primary structural
9 components of buildings or improvements in such a
10 combination that a documented building condition analysis
11 determines that major repair is required or the defects
12 are so serious and so extensive that the buildings must be
13 removed.

14 (2) Obsolescence. The condition or process of falling
15 into disuse. Structures have become ill-suited for the
16 original use.

17 (3) Deterioration. With respect to buildings, defects
18 including, but not limited to, major defects in the
19 secondary building components such as doors, windows,
20 porches, gutters and downspouts, and fascia. With respect
21 to surface improvements, that the condition of roadways,
22 alleys, curbs, gutters, sidewalks, off-street parking, and
23 surface storage areas evidence deterioration, including,
24 but not limited to, surface cracking, crumbling, potholes,
25 depressions, loose paving material, and weeds protruding
26 through paved surfaces.

1 (4) Presence of structures below minimum code
2 standards. All structures that do not meet the standards
3 of zoning, subdivision, building, fire, and other
4 governmental codes applicable to property, but not
5 including housing and property maintenance codes.

6 (5) Illegal use of individual structures. The use of
7 structures in violation of applicable federal, State, or
8 local laws, exclusive of those applicable to the presence
9 of structures below minimum code standards.

10 (6) Excessive vacancies. The presence of buildings
11 that are unoccupied or under-utilized and that represent
12 an adverse influence on the area because of the frequency,
13 extent, or duration of the vacancies.

14 (7) Lack of ventilation, light, or sanitary
15 facilities. The absence of adequate ventilation for light
16 or air circulation in spaces or rooms without windows, or
17 that require the removal of dust, odor, gas, smoke, or
18 other noxious airborne materials. Inadequate natural light
19 and ventilation means the absence or inadequacy of
20 skylights or windows for interior spaces or rooms and
21 improper window sizes and amounts by room area to window
22 area ratios. Inadequate sanitary facilities refers to the
23 absence or inadequacy of garbage storage and enclosure,
24 bathroom facilities, hot water and kitchens, and
25 structural inadequacies preventing ingress and egress to
26 and from all rooms and units within a building.

1 (8) Inadequate utilities. Underground and overhead
2 utilities such as storm sewers and storm drainage,
3 sanitary sewers, water lines, and gas, telephone, and
4 electrical services that are shown to be inadequate.
5 Inadequate utilities are those that are: (i) of
6 insufficient capacity to serve the uses in the
7 redevelopment project area, (ii) deteriorated, antiquated,
8 obsolete, or in disrepair, or (iii) lacking within the
9 redevelopment project area.

10 (9) Excessive land coverage and overcrowding of
11 structures and community facilities. The over-intensive
12 use of property and the crowding of buildings and
13 accessory facilities onto a site. Examples of problem
14 conditions warranting the designation of an area as one
15 exhibiting excessive land coverage are: the presence of
16 buildings either improperly situated on parcels or located
17 on parcels of inadequate size and shape in relation to
18 present-day standards of development for health and safety
19 and the presence of multiple buildings on a single parcel.
20 For there to be a finding of excessive land coverage,
21 these parcels must exhibit one or more of the following
22 conditions: insufficient provision for light and air
23 within or around buildings, increased threat of spread of
24 fire due to the close proximity of buildings, lack of
25 adequate or proper access to a public right-of-way, lack
26 of reasonably required off-street parking, or inadequate

1 provision for loading and service.

2 (10) Deleterious land use or layout. The existence of
3 incompatible land-use relationships, buildings occupied by
4 inappropriate mixed-uses, or uses considered to be
5 noxious, offensive, or unsuitable for the surrounding
6 area.

7 (11) Lack of community planning. The proposed
8 redevelopment project area was developed prior to or
9 without the benefit or guidance of a community plan. This
10 means that the development occurred prior to the adoption
11 by the municipality of a comprehensive or other community
12 plan or that the plan was not followed at the time of the
13 area's development. This factor must be documented by
14 evidence of adverse or incompatible land-use
15 relationships, inadequate street layout, improper
16 subdivision, parcels of inadequate shape and size to meet
17 contemporary development standards, or other evidence
18 demonstrating an absence of effective community planning.

19 (12) The area has incurred Illinois Environmental
20 Protection Agency or United States Environmental
21 Protection Agency remediation costs for, or a study
22 conducted by an independent consultant recognized as
23 having expertise in environmental remediation has
24 determined a need for, the clean-up of hazardous waste,
25 hazardous substances, or underground storage tanks
26 required by State or federal law, provided that the

1 remediation costs constitute a material impediment to the
2 development or redevelopment of the redevelopment project
3 area.

4 (13) The total equalized assessed value of the
5 proposed redevelopment project area has declined for 3 of
6 the last 5 calendar years for which information is
7 available or is increasing at an annual rate that is less
8 than the balance of the municipality for 3 of the last 5
9 calendar years for which information is available or is
10 increasing at an annual rate that is less than the
11 Consumer Price Index for All Urban Consumers published by
12 the United States Department of Labor or successor agency
13 for 3 of the last 5 calendar years for which information is
14 available.

15 (c) "Industrial park" means an area in a blighted or
16 conservation area suitable for use by any manufacturing,
17 industrial, research or transportation enterprise, of
18 facilities to include but not be limited to factories, mills,
19 processing plants, assembly plants, packing plants,
20 fabricating plants, industrial distribution centers,
21 warehouses, repair overhaul or service facilities, freight
22 terminals, research facilities, test facilities or railroad
23 facilities.

24 (d) "Industrial park conservation area" means an area
25 within the boundaries of a redevelopment project area located
26 within the territorial limits of a municipality that is a

1 labor surplus municipality or within 1 1/2 miles of the
2 territorial limits of a municipality that is a labor surplus
3 municipality if the area is annexed to the municipality; which
4 area is zoned as industrial no later than at the time the
5 municipality by ordinance designates the redevelopment project
6 area, and which area includes both vacant land suitable for
7 use as an industrial park and a blighted area or conservation
8 area contiguous to such vacant land.

9 (e) "Labor surplus municipality" means a municipality in
10 which, at any time during the 6 months before the municipality
11 by ordinance designates an industrial park conservation area,
12 the unemployment rate was over 6% and was also 100% or more of
13 the national average unemployment rate for that same time as
14 published in the United States Department of Labor Bureau of
15 Labor Statistics publication entitled "The Employment
16 Situation" or its successor publication. For the purpose of
17 this subsection, if unemployment rate statistics for the
18 municipality are not available, the unemployment rate in the
19 municipality shall be deemed to be the same as the
20 unemployment rate in the principal county in which the
21 municipality is located.

22 (f) "Municipality" shall mean a city, village,
23 incorporated town, or a township that is located in the
24 unincorporated portion of a county with 3 million or more
25 inhabitants, if the county adopted an ordinance that approved
26 the township's redevelopment plan.

1 (g) "Initial Sales Tax Amounts" means the amount of taxes
2 paid under the Retailers' Occupation Tax Act, Use Tax Act,
3 Service Use Tax Act, the Service Occupation Tax Act, the
4 Municipal Retailers' Occupation Tax Act, and the Municipal
5 Service Occupation Tax Act by retailers and servicemen on
6 transactions at places located in a State Sales Tax Boundary
7 during the calendar year 1985.

8 (g-1) "Revised Initial Sales Tax Amounts" means the amount
9 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
10 Act, Service Use Tax Act, the Service Occupation Tax Act, the
11 Municipal Retailers' Occupation Tax Act, and the Municipal
12 Service Occupation Tax Act by retailers and servicemen on
13 transactions at places located within the State Sales Tax
14 Boundary revised pursuant to Section 11-74.4-8a(9) of this
15 Act.

16 (h) "Municipal Sales Tax Increment" means an amount equal
17 to the increase in the aggregate amount of taxes paid to a
18 municipality from the Local Government Tax Fund arising from
19 sales by retailers and servicemen within the redevelopment
20 project area or State Sales Tax Boundary, as the case may be,
21 for as long as the redevelopment project area or State Sales
22 Tax Boundary, as the case may be, exist over and above the
23 aggregate amount of taxes as certified by the Illinois
24 Department of Revenue and paid under the Municipal Retailers'
25 Occupation Tax Act and the Municipal Service Occupation Tax
26 Act by retailers and servicemen, on transactions at places of

1 business located in the redevelopment project area or State
2 Sales Tax Boundary, as the case may be, during the base year
3 which shall be the calendar year immediately prior to the year
4 in which the municipality adopted tax increment allocation
5 financing. For purposes of computing the aggregate amount of
6 such taxes for base years occurring prior to 1985, the
7 Department of Revenue shall determine the Initial Sales Tax
8 Amounts for such taxes and deduct therefrom an amount equal to
9 4% of the aggregate amount of taxes per year for each year the
10 base year is prior to 1985, but not to exceed a total deduction
11 of 12%. The amount so determined shall be known as the
12 "Adjusted Initial Sales Tax Amounts". For purposes of
13 determining the Municipal Sales Tax Increment, the Department
14 of Revenue shall for each period subtract from the amount paid
15 to the municipality from the Local Government Tax Fund arising
16 from sales by retailers and servicemen on transactions located
17 in the redevelopment project area or the State Sales Tax
18 Boundary, as the case may be, the certified Initial Sales Tax
19 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
20 Initial Sales Tax Amounts for the Municipal Retailers'
21 Occupation Tax Act and the Municipal Service Occupation Tax
22 Act. For the State Fiscal Year 1989, this calculation shall be
23 made by utilizing the calendar year 1987 to determine the tax
24 amounts received. For the State Fiscal Year 1990, this
25 calculation shall be made by utilizing the period from January
26 1, 1988, until September 30, 1988, to determine the tax

1 amounts received from retailers and servicemen pursuant to the
2 Municipal Retailers' Occupation Tax and the Municipal Service
3 Occupation Tax Act, which shall have deducted therefrom
4 nine-twelfths of the certified Initial Sales Tax Amounts, the
5 Adjusted Initial Sales Tax Amounts or the Revised Initial
6 Sales Tax Amounts as appropriate. For the State Fiscal Year
7 1991, this calculation shall be made by utilizing the period
8 from October 1, 1988, to June 30, 1989, to determine the tax
9 amounts received from retailers and servicemen pursuant to the
10 Municipal Retailers' Occupation Tax and the Municipal Service
11 Occupation Tax Act which shall have deducted therefrom
12 nine-twelfths of the certified Initial Sales Tax Amounts,
13 Adjusted Initial Sales Tax Amounts or the Revised Initial
14 Sales Tax Amounts as appropriate. For every State Fiscal Year
15 thereafter, the applicable period shall be the 12 months
16 beginning July 1 and ending June 30 to determine the tax
17 amounts received which shall have deducted therefrom the
18 certified Initial Sales Tax Amounts, the Adjusted Initial
19 Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as
20 the case may be.

21 (i) "Net State Sales Tax Increment" means the sum of the
22 following: (a) 80% of the first \$100,000 of State Sales Tax
23 Increment annually generated within a State Sales Tax
24 Boundary; (b) 60% of the amount in excess of \$100,000 but not
25 exceeding \$500,000 of State Sales Tax Increment annually
26 generated within a State Sales Tax Boundary; and (c) 40% of all

1 amounts in excess of \$500,000 of State Sales Tax Increment
2 annually generated within a State Sales Tax Boundary. If,
3 however, a municipality established a tax increment financing
4 district in a county with a population in excess of 3,000,000
5 before January 1, 1986, and the municipality entered into a
6 contract or issued bonds after January 1, 1986, but before
7 December 31, 1986, to finance redevelopment project costs
8 within a State Sales Tax Boundary, then the Net State Sales Tax
9 Increment means, for the fiscal years beginning July 1, 1990,
10 and July 1, 1991, 100% of the State Sales Tax Increment
11 annually generated within a State Sales Tax Boundary; and
12 notwithstanding any other provision of this Act, for those
13 fiscal years the Department of Revenue shall distribute to
14 those municipalities 100% of their Net State Sales Tax
15 Increment before any distribution to any other municipality
16 and regardless of whether or not those other municipalities
17 will receive 100% of their Net State Sales Tax Increment. For
18 Fiscal Year 1999, and every year thereafter until the year
19 2007, for any municipality that has not entered into a
20 contract or has not issued bonds prior to June 1, 1988 to
21 finance redevelopment project costs within a State Sales Tax
22 Boundary, the Net State Sales Tax Increment shall be
23 calculated as follows: By multiplying the Net State Sales Tax
24 Increment by 90% in the State Fiscal Year 1999; 80% in the
25 State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60%
26 in the State Fiscal Year 2002; 50% in the State Fiscal Year

1 2003; 40% in the State Fiscal Year 2004; 30% in the State
2 Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in
3 the State Fiscal Year 2007. No payment shall be made for State
4 Fiscal Year 2008 and thereafter.

5 Municipalities that issued bonds in connection with a
6 redevelopment project in a redevelopment project area within
7 the State Sales Tax Boundary prior to July 29, 1991, or that
8 entered into contracts in connection with a redevelopment
9 project in a redevelopment project area before June 1, 1988,
10 shall continue to receive their proportional share of the
11 Illinois Tax Increment Fund distribution until the date on
12 which the redevelopment project is completed or terminated.
13 If, however, a municipality that issued bonds in connection
14 with a redevelopment project in a redevelopment project area
15 within the State Sales Tax Boundary prior to July 29, 1991
16 retires the bonds prior to June 30, 2007 or a municipality that
17 entered into contracts in connection with a redevelopment
18 project in a redevelopment project area before June 1, 1988
19 completes the contracts prior to June 30, 2007, then so long as
20 the redevelopment project is not completed or is not
21 terminated, the Net State Sales Tax Increment shall be
22 calculated, beginning on the date on which the bonds are
23 retired or the contracts are completed, as follows: By
24 multiplying the Net State Sales Tax Increment by 60% in the
25 State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40%
26 in the State Fiscal Year 2004; 30% in the State Fiscal Year

1 2005; 20% in the State Fiscal Year 2006; and 10% in the State
2 Fiscal Year 2007. No payment shall be made for State Fiscal
3 Year 2008 and thereafter. Refunding of any bonds issued prior
4 to July 29, 1991, shall not alter the Net State Sales Tax
5 Increment.

6 (j) "State Utility Tax Increment Amount" means an amount
7 equal to the aggregate increase in State electric and gas tax
8 charges imposed on owners and tenants, other than residential
9 customers, of properties located within the redevelopment
10 project area under Section 9-222 of the Public Utilities Act,
11 over and above the aggregate of such charges as certified by
12 the Department of Revenue and paid by owners and tenants,
13 other than residential customers, of properties within the
14 redevelopment project area during the base year, which shall
15 be the calendar year immediately prior to the year of the
16 adoption of the ordinance authorizing tax increment allocation
17 financing.

18 (k) "Net State Utility Tax Increment" means the sum of the
19 following: (a) 80% of the first \$100,000 of State Utility Tax
20 Increment annually generated by a redevelopment project area;
21 (b) 60% of the amount in excess of \$100,000 but not exceeding
22 \$500,000 of the State Utility Tax Increment annually generated
23 by a redevelopment project area; and (c) 40% of all amounts in
24 excess of \$500,000 of State Utility Tax Increment annually
25 generated by a redevelopment project area. For the State
26 Fiscal Year 1999, and every year thereafter until the year

1 2007, for any municipality that has not entered into a
2 contract or has not issued bonds prior to June 1, 1988 to
3 finance redevelopment project costs within a redevelopment
4 project area, the Net State Utility Tax Increment shall be
5 calculated as follows: By multiplying the Net State Utility
6 Tax Increment by 90% in the State Fiscal Year 1999; 80% in the
7 State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60%
8 in the State Fiscal Year 2002; 50% in the State Fiscal Year
9 2003; 40% in the State Fiscal Year 2004; 30% in the State
10 Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in
11 the State Fiscal Year 2007. No payment shall be made for the
12 State Fiscal Year 2008 and thereafter.

13 Municipalities that issue bonds in connection with the
14 redevelopment project during the period from June 1, 1988
15 until 3 years after the effective date of this Amendatory Act
16 of 1988 shall receive the Net State Utility Tax Increment,
17 subject to appropriation, for 15 State Fiscal Years after the
18 issuance of such bonds. For the 16th through the 20th State
19 Fiscal Years after issuance of the bonds, the Net State
20 Utility Tax Increment shall be calculated as follows: By
21 multiplying the Net State Utility Tax Increment by 90% in year
22 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in
23 year 20. Refunding of any bonds issued prior to June 1, 1988,
24 shall not alter the revised Net State Utility Tax Increment
25 payments set forth above.

26 (1) "Obligations" mean bonds, loans, debentures, notes,

1 special certificates or other evidence of indebtedness issued
2 by the municipality to carry out a redevelopment project or to
3 refund outstanding obligations.

4 (m) "Payment in lieu of taxes" means those estimated tax
5 revenues from real property in a redevelopment project area
6 derived from real property that has been acquired by a
7 municipality which according to the redevelopment project or
8 plan is to be used for a private use which taxing districts
9 would have received had a municipality not acquired the real
10 property and adopted tax increment allocation financing and
11 which would result from levies made after the time of the
12 adoption of tax increment allocation financing to the time the
13 current equalized value of real property in the redevelopment
14 project area exceeds the total initial equalized value of real
15 property in said area.

16 (n) "Redevelopment plan" means the comprehensive program
17 of the municipality for development or redevelopment intended
18 by the payment of redevelopment project costs to reduce or
19 eliminate those conditions the existence of which qualified
20 the redevelopment project area as a "blighted area" or
21 "conservation area" or combination thereof or "industrial park
22 conservation area," and thereby to enhance the tax bases of
23 the taxing districts which extend into the redevelopment
24 project area, provided that, with respect to redevelopment
25 project areas described in subsections (p-1) and (p-2),
26 "redemption plan" means the comprehensive program of the

1 affected municipality for the development of qualifying
2 transit facilities. On and after November 1, 1999 (the
3 effective date of Public Act 91-478), no redevelopment plan
4 may be approved or amended that includes the development of
5 vacant land (i) with a golf course and related clubhouse and
6 other facilities or (ii) designated by federal, State, county,
7 or municipal government as public land for outdoor
8 recreational activities or for nature preserves and used for
9 that purpose within 5 years prior to the adoption of the
10 redevelopment plan. For the purpose of this subsection,
11 "recreational activities" is limited to mean camping and
12 hunting. Each redevelopment plan shall set forth in writing
13 the program to be undertaken to accomplish the objectives and
14 shall include but not be limited to:

15 (A) an itemized list of estimated redevelopment
16 project costs;

17 (B) evidence indicating that the redevelopment project
18 area on the whole has not been subject to growth and
19 development through investment by private enterprise,
20 provided that such evidence shall not be required for any
21 redevelopment project area located within a transit
22 facility improvement area established pursuant to Section
23 11-74.4-3.3;

24 (C) an assessment of any financial impact of the
25 redevelopment project area on or any increased demand for
26 services from any taxing district affected by the plan and

1 any program to address such financial impact or increased
2 demand;

3 (D) the sources of funds to pay costs;

4 (E) the nature and term of the obligations to be
5 issued;

6 (F) the most recent equalized assessed valuation of
7 the redevelopment project area;

8 (G) an estimate as to the equalized assessed valuation
9 after redevelopment and the general land uses to apply in
10 the redevelopment project area;

11 (H) a commitment to fair employment practices and an
12 affirmative action plan;

13 (I) if it concerns an industrial park conservation
14 area, the plan shall also include a general description of
15 any proposed developer, user and tenant of any property, a
16 description of the type, structure and general character
17 of the facilities to be developed, a description of the
18 type, class and number of new employees to be employed in
19 the operation of the facilities to be developed; and

20 (J) if property is to be annexed to the municipality,
21 the plan shall include the terms of the annexation
22 agreement.

23 The provisions of items (B) and (C) of this subsection (n)
24 shall not apply to a municipality that before March 14, 1994
25 (the effective date of Public Act 88-537) had fixed, either by
26 its corporate authorities or by a commission designated under

1 subsection (k) of Section 11-74.4-4, a time and place for a
2 public hearing as required by subsection (a) of Section
3 11-74.4-5. No redevelopment plan shall be adopted unless a
4 municipality complies with all of the following requirements:

5 (1) The municipality finds that the redevelopment
6 project area on the whole has not been subject to growth
7 and development through investment by private enterprise
8 and would not reasonably be anticipated to be developed
9 without the adoption of the redevelopment plan, provided,
10 however, that such a finding shall not be required with
11 respect to any redevelopment project area located within a
12 transit facility improvement area established pursuant to
13 Section 11-74.4-3.3.

14 (2) The municipality finds that the redevelopment plan
15 and project conform to the comprehensive plan for the
16 development of the municipality as a whole, or, for
17 municipalities with a population of 100,000 or more,
18 regardless of when the redevelopment plan and project was
19 adopted, the redevelopment plan and project either: (i)
20 conforms to the strategic economic development or
21 redevelopment plan issued by the designated planning
22 authority of the municipality, or (ii) includes land uses
23 that have been approved by the planning commission of the
24 municipality.

25 (3) The redevelopment plan establishes the estimated
26 dates of completion of the redevelopment project and

1 retirement of obligations issued to finance redevelopment
2 project costs. Those dates may not be later than the dates
3 set forth under Section 11-74.4-3.5.

4 A municipality may by municipal ordinance amend an
5 existing redevelopment plan to conform to this paragraph
6 (3) as amended by Public Act 91-478, which municipal
7 ordinance may be adopted without further hearing or notice
8 and without complying with the procedures provided in this
9 Act pertaining to an amendment to or the initial approval
10 of a redevelopment plan and project and designation of a
11 redevelopment project area.

12 (3.5) The municipality finds, in the case of an
13 industrial park conservation area, also that the
14 municipality is a labor surplus municipality and that the
15 implementation of the redevelopment plan will reduce
16 unemployment, create new jobs and by the provision of new
17 facilities enhance the tax base of the taxing districts
18 that extend into the redevelopment project area.

19 (4) If any incremental revenues are being utilized
20 under Section 8(a)(1) or 8(a)(2) of this Act in
21 redevelopment project areas approved by ordinance after
22 January 1, 1986, the municipality finds: (a) that the
23 redevelopment project area would not reasonably be
24 developed without the use of such incremental revenues,
25 and (b) that such incremental revenues will be exclusively
26 utilized for the development of the redevelopment project

1 area.

2 (5) If: (a) the redevelopment plan will not result in
3 displacement of residents from 10 or more inhabited
4 residential units, and the municipality certifies in the
5 plan that such displacement will not result from the plan;
6 or (b) the redevelopment plan is for a redevelopment
7 project area or a qualifying transit facility located
8 within a transit facility improvement area established
9 pursuant to Section 11-74.4-3.3, and the applicable
10 project is subject to the process for evaluation of
11 environmental effects under the National Environmental
12 Policy Act of 1969, 42 U.S.C. 4321 et seq., then a housing
13 impact study need not be performed. If, however, the
14 redevelopment plan would result in the displacement of
15 residents from 10 or more inhabited residential units, or
16 if the redevelopment project area contains 75 or more
17 inhabited residential units and no certification is made,
18 then the municipality shall prepare, as part of the
19 separate feasibility report required by subsection (a) of
20 Section 11-74.4-5, a housing impact study.

21 Part I of the housing impact study shall include (i)
22 data as to whether the residential units are single family
23 or multi-family units, (ii) the number and type of rooms
24 within the units, if that information is available, (iii)
25 whether the units are inhabited or uninhabited, as
26 determined not less than 45 days before the date that the

1 ordinance or resolution required by subsection (a) of
2 Section 11-74.4-5 is passed, and (iv) data as to the
3 racial and ethnic composition of the residents in the
4 inhabited residential units. The data requirement as to
5 the racial and ethnic composition of the residents in the
6 inhabited residential units shall be deemed to be fully
7 satisfied by data from the most recent federal census.

8 Part II of the housing impact study shall identify the
9 inhabited residential units in the proposed redevelopment
10 project area that are to be or may be removed. If inhabited
11 residential units are to be removed, then the housing
12 impact study shall identify (i) the number and location of
13 those units that will or may be removed, (ii) the
14 municipality's plans for relocation assistance for those
15 residents in the proposed redevelopment project area whose
16 residences are to be removed, (iii) the availability of
17 replacement housing for those residents whose residences
18 are to be removed, and shall identify the type, location,
19 and cost of the housing, and (iv) the type and extent of
20 relocation assistance to be provided.

21 (6) On and after November 1, 1999, the housing impact
22 study required by paragraph (5) shall be incorporated in
23 the redevelopment plan for the redevelopment project area.

24 (7) On and after November 1, 1999, no redevelopment
25 plan shall be adopted, nor an existing plan amended, nor
26 shall residential housing that is occupied by households

1 of low-income and very low-income persons in currently
2 existing redevelopment project areas be removed after
3 November 1, 1999 unless the redevelopment plan provides,
4 with respect to inhabited housing units that are to be
5 removed for households of low-income and very low-income
6 persons, affordable housing and relocation assistance not
7 less than that which would be provided under the federal
8 Uniform Relocation Assistance and Real Property
9 Acquisition Policies Act of 1970 and the regulations under
10 that Act, including the eligibility criteria. Affordable
11 housing may be either existing or newly constructed
12 housing. For purposes of this paragraph (7), "low-income
13 households", "very low-income households", and "affordable
14 housing" have the meanings set forth in the Illinois
15 Affordable Housing Act. The municipality shall make a good
16 faith effort to ensure that this affordable housing is
17 located in or near the redevelopment project area within
18 the municipality.

19 (8) On and after November 1, 1999, if, after the
20 adoption of the redevelopment plan for the redevelopment
21 project area, any municipality desires to amend its
22 redevelopment plan to remove more inhabited residential
23 units than specified in its original redevelopment plan,
24 that change shall be made in accordance with the
25 procedures in subsection (c) of Section 11-74.4-5.

26 (9) For redevelopment project areas designated prior

1 to November 1, 1999, the redevelopment plan may be amended
2 without further joint review board meeting or hearing,
3 provided that the municipality shall give notice of any
4 such changes by mail to each affected taxing district and
5 registrant on the interested party registry, to authorize
6 the municipality to expend tax increment revenues for
7 redevelopment project costs defined by paragraphs (5) and
8 (7.5), subparagraphs (E) and (F) of paragraph (11), and
9 paragraph (11.5) of subsection (q) of Section 11-74.4-3,
10 so long as the changes do not increase the total estimated
11 redevelopment project costs set out in the redevelopment
12 plan by more than 5% after adjustment for inflation from
13 the date the plan was adopted.

14 (o) "Redevelopment project" means any public and private
15 development project in furtherance of the objectives of a
16 redevelopment plan. On and after November 1, 1999 (the
17 effective date of Public Act 91-478), no redevelopment plan
18 may be approved or amended that includes the development of
19 vacant land (i) with a golf course and related clubhouse and
20 other facilities or (ii) designated by federal, State, county,
21 or municipal government as public land for outdoor
22 recreational activities or for nature preserves and used for
23 that purpose within 5 years prior to the adoption of the
24 redevelopment plan. For the purpose of this subsection,
25 "recreational activities" is limited to mean camping and
26 hunting.

1 (p) "Redevelopment project area" means an area designated
2 by the municipality, which is not less in the aggregate than 1
3 1/2 acres and in respect to which the municipality has made a
4 finding that there exist conditions which cause the area to be
5 classified as an industrial park conservation area or a
6 blighted area or a conservation area, or a combination of both
7 blighted areas and conservation areas.

8 (p-1) Notwithstanding any provision of this Act to the
9 contrary, on and after August 25, 2009 (the effective date of
10 Public Act 96-680), a redevelopment project area may include
11 areas within a one-half mile radius of an existing or proposed
12 Regional Transportation Authority Suburban Transit Access
13 Route (STAR Line) station without a finding that the area is
14 classified as an industrial park conservation area, a blighted
15 area, a conservation area, or a combination thereof, but only
16 if the municipality receives unanimous consent from the joint
17 review board created to review the proposed redevelopment
18 project area.

19 (p-2) Notwithstanding any provision of this Act to the
20 contrary, on and after the effective date of this amendatory
21 Act of the 99th General Assembly, a redevelopment project area
22 may include areas within a transit facility improvement area
23 that has been established pursuant to Section 11-74.4-3.3
24 without a finding that the area is classified as an industrial
25 park conservation area, a blighted area, a conservation area,
26 or any combination thereof.

1 (q) "Redevelopment project costs", except for
2 redevelopment project areas created pursuant to subsection
3 (p-1) or (p-2), means and includes the sum total of all
4 reasonable or necessary costs incurred or estimated to be
5 incurred, and any such costs incidental to a redevelopment
6 plan and a redevelopment project. Such costs include, without
7 limitation, the following:

8 (1) Costs of studies, surveys, development of plans,
9 and specifications, implementation and administration of
10 the redevelopment plan including but not limited to staff
11 and professional service costs for architectural,
12 engineering, legal, financial, planning or other services,
13 provided however that no charges for professional services
14 may be based on a percentage of the tax increment
15 collected; except that on and after November 1, 1999 (the
16 effective date of Public Act 91-478), no contracts for
17 professional services, excluding architectural and
18 engineering services, may be entered into if the terms of
19 the contract extend beyond a period of 3 years. In
20 addition, "redevelopment project costs" shall not include
21 lobbying expenses. After consultation with the
22 municipality, each tax increment consultant or advisor to
23 a municipality that plans to designate or has designated a
24 redevelopment project area shall inform the municipality
25 in writing of any contracts that the consultant or advisor
26 has entered into with entities or individuals that have

1 received, or are receiving, payments financed by tax
2 increment revenues produced by the redevelopment project
3 area with respect to which the consultant or advisor has
4 performed, or will be performing, service for the
5 municipality. This requirement shall be satisfied by the
6 consultant or advisor before the commencement of services
7 for the municipality and thereafter whenever any other
8 contracts with those individuals or entities are executed
9 by the consultant or advisor;

10 (1.5) After July 1, 1999, annual administrative costs
11 shall not include general overhead or administrative costs
12 of the municipality that would still have been incurred by
13 the municipality if the municipality had not designated a
14 redevelopment project area or approved a redevelopment
15 plan;

16 (1.6) The cost of marketing sites within the
17 redevelopment project area to prospective businesses,
18 developers, and investors;

19 (2) Property assembly costs, including but not limited
20 to acquisition of land and other property, real or
21 personal, or rights or interests therein, demolition of
22 buildings, site preparation, site improvements that serve
23 as an engineered barrier addressing ground level or below
24 ground environmental contamination, including, but not
25 limited to parking lots and other concrete or asphalt
26 barriers, and the clearing and grading of land;

1 (3) Costs of rehabilitation, reconstruction or repair
2 or remodeling of existing public or private buildings,
3 fixtures, and leasehold improvements; and the cost of
4 replacing an existing public building if pursuant to the
5 implementation of a redevelopment project the existing
6 public building is to be demolished to use the site for
7 private investment or devoted to a different use requiring
8 private investment; including any direct or indirect costs
9 relating to Green Globes or LEED certified construction
10 elements or construction elements with an equivalent
11 certification;

12 (4) Costs of the construction of public works or
13 improvements, including any direct or indirect costs
14 relating to Green Globes or LEED certified construction
15 elements or construction elements with an equivalent
16 certification, except that on and after November 1, 1999,
17 redevelopment project costs shall not include the cost of
18 constructing a new municipal public building principally
19 used to provide offices, storage space, or conference
20 facilities or vehicle storage, maintenance, or repair for
21 administrative, public safety, or public works personnel
22 and that is not intended to replace an existing public
23 building as provided under paragraph (3) of subsection (q)
24 of Section 11-74.4-3 unless either (i) the construction of
25 the new municipal building implements a redevelopment
26 project that was included in a redevelopment plan that was

1 adopted by the municipality prior to November 1, 1999,
2 (ii) the municipality makes a reasonable determination in
3 the redevelopment plan, supported by information that
4 provides the basis for that determination, that the new
5 municipal building is required to meet an increase in the
6 need for public safety purposes anticipated to result from
7 the implementation of the redevelopment plan, or (iii) the
8 new municipal public building is for the storage,
9 maintenance, or repair of transit vehicles and is located
10 in a transit facility improvement area that has been
11 established pursuant to Section 11-74.4-3.3;

12 (5) Costs of job training and retraining projects,
13 including the cost of "welfare to work" programs
14 implemented by businesses located within the redevelopment
15 project area;

16 (6) Financing costs, including but not limited to all
17 necessary and incidental expenses related to the issuance
18 of obligations and which may include payment of interest
19 on any obligations issued hereunder including interest
20 accruing during the estimated period of construction of
21 any redevelopment project for which such obligations are
22 issued and for not exceeding 36 months thereafter and
23 including reasonable reserves related thereto;

24 (7) To the extent the municipality by written
25 agreement accepts and approves the same, all or a portion
26 of a taxing district's capital costs resulting from the

1 redevelopment project necessarily incurred or to be
2 incurred within a taxing district in furtherance of the
3 objectives of the redevelopment plan and project;

4 (7.5) For redevelopment project areas designated (or
5 redevelopment project areas amended to add or increase the
6 number of tax-increment-financing assisted housing units)
7 on or after November 1, 1999, an elementary, secondary, or
8 unit school district's increased costs attributable to
9 assisted housing units located within the redevelopment
10 project area for which the developer or redeveloper
11 receives financial assistance through an agreement with
12 the municipality or because the municipality incurs the
13 cost of necessary infrastructure improvements within the
14 boundaries of the assisted housing sites necessary for the
15 completion of that housing as authorized by this Act, and
16 which costs shall be paid by the municipality from the
17 Special Tax Allocation Fund when the tax increment revenue
18 is received as a result of the assisted housing units and
19 shall be calculated annually as follows:

20 (A) for foundation districts, excluding any school
21 district in a municipality with a population in excess
22 of 1,000,000, by multiplying the district's increase
23 in attendance resulting from the net increase in new
24 students enrolled in that school district who reside
25 in housing units within the redevelopment project area
26 that have received financial assistance through an

1 agreement with the municipality or because the
2 municipality incurs the cost of necessary
3 infrastructure improvements within the boundaries of
4 the housing sites necessary for the completion of that
5 housing as authorized by this Act since the
6 designation of the redevelopment project area by the
7 most recently available per capita tuition cost as
8 defined in Section 10-20.12a of the School Code less
9 any increase in general State aid as defined in
10 Section 18-8.05 of the School Code or evidence-based
11 funding as defined in Section 18-8.15 of the School
12 Code attributable to these added new students subject
13 to the following annual limitations:

14 (i) for unit school districts with a district
15 average 1995-96 Per Capita Tuition Charge of less
16 than \$5,900, no more than 25% of the total amount
17 of property tax increment revenue produced by
18 those housing units that have received tax
19 increment finance assistance under this Act;

20 (ii) for elementary school districts with a
21 district average 1995-96 Per Capita Tuition Charge
22 of less than \$5,900, no more than 17% of the total
23 amount of property tax increment revenue produced
24 by those housing units that have received tax
25 increment finance assistance under this Act; and

26 (iii) for secondary school districts with a

1 district average 1995-96 Per Capita Tuition Charge
2 of less than \$5,900, no more than 8% of the total
3 amount of property tax increment revenue produced
4 by those housing units that have received tax
5 increment finance assistance under this Act.

6 (B) For alternate method districts, flat grant
7 districts, and foundation districts with a district
8 average 1995-96 Per Capita Tuition Charge equal to or
9 more than \$5,900, excluding any school district with a
10 population in excess of 1,000,000, by multiplying the
11 district's increase in attendance resulting from the
12 net increase in new students enrolled in that school
13 district who reside in housing units within the
14 redevelopment project area that have received
15 financial assistance through an agreement with the
16 municipality or because the municipality incurs the
17 cost of necessary infrastructure improvements within
18 the boundaries of the housing sites necessary for the
19 completion of that housing as authorized by this Act
20 since the designation of the redevelopment project
21 area by the most recently available per capita tuition
22 cost as defined in Section 10-20.12a of the School
23 Code less any increase in general state aid as defined
24 in Section 18-8.05 of the School Code or
25 evidence-based funding as defined in Section 18-8.15
26 of the School Code attributable to these added new

1 students subject to the following annual limitations:

2 (i) for unit school districts, no more than
3 40% of the total amount of property tax increment
4 revenue produced by those housing units that have
5 received tax increment finance assistance under
6 this Act;

7 (ii) for elementary school districts, no more
8 than 27% of the total amount of property tax
9 increment revenue produced by those housing units
10 that have received tax increment finance
11 assistance under this Act; and

12 (iii) for secondary school districts, no more
13 than 13% of the total amount of property tax
14 increment revenue produced by those housing units
15 that have received tax increment finance
16 assistance under this Act.

17 (C) For any school district in a municipality with
18 a population in excess of 1,000,000, the following
19 restrictions shall apply to the reimbursement of
20 increased costs under this paragraph (7.5):

21 (i) no increased costs shall be reimbursed
22 unless the school district certifies that each of
23 the schools affected by the assisted housing
24 project is at or over its student capacity;

25 (ii) the amount reimbursable shall be reduced
26 by the value of any land donated to the school

1 district by the municipality or developer, and by
2 the value of any physical improvements made to the
3 schools by the municipality or developer; and

4 (iii) the amount reimbursed may not affect
5 amounts otherwise obligated by the terms of any
6 bonds, notes, or other funding instruments, or the
7 terms of any redevelopment agreement.

8 Any school district seeking payment under this
9 paragraph (7.5) shall, after July 1 and before
10 September 30 of each year, provide the municipality
11 with reasonable evidence to support its claim for
12 reimbursement before the municipality shall be
13 required to approve or make the payment to the school
14 district. If the school district fails to provide the
15 information during this period in any year, it shall
16 forfeit any claim to reimbursement for that year.
17 School districts may adopt a resolution waiving the
18 right to all or a portion of the reimbursement
19 otherwise required by this paragraph (7.5). By
20 acceptance of this reimbursement the school district
21 waives the right to directly or indirectly set aside,
22 modify, or contest in any manner the establishment of
23 the redevelopment project area or projects;

24 (7.7) For redevelopment project areas designated (or
25 redevelopment project areas amended to add or increase the
26 number of tax-increment-financing assisted housing units)

1 on or after January 1, 2005 (the effective date of Public
2 Act 93-961), a public library district's increased costs
3 attributable to assisted housing units located within the
4 redevelopment project area for which the developer or
5 redeveloper receives financial assistance through an
6 agreement with the municipality or because the
7 municipality incurs the cost of necessary infrastructure
8 improvements within the boundaries of the assisted housing
9 sites necessary for the completion of that housing as
10 authorized by this Act shall be paid to the library
11 district by the municipality from the Special Tax
12 Allocation Fund when the tax increment revenue is received
13 as a result of the assisted housing units. This paragraph
14 (7.7) applies only if (i) the library district is located
15 in a county that is subject to the Property Tax Extension
16 Limitation Law or (ii) the library district is not located
17 in a county that is subject to the Property Tax Extension
18 Limitation Law but the district is prohibited by any other
19 law from increasing its tax levy rate without a prior
20 voter referendum.

21 The amount paid to a library district under this
22 paragraph (7.7) shall be calculated by multiplying (i) the
23 net increase in the number of persons eligible to obtain a
24 library card in that district who reside in housing units
25 within the redevelopment project area that have received
26 financial assistance through an agreement with the

1 municipality or because the municipality incurs the cost
2 of necessary infrastructure improvements within the
3 boundaries of the housing sites necessary for the
4 completion of that housing as authorized by this Act since
5 the designation of the redevelopment project area by (ii)
6 the per-patron cost of providing library services so long
7 as it does not exceed \$120. The per-patron cost shall be
8 the Total Operating Expenditures Per Capita for the
9 library in the previous fiscal year. The municipality may
10 deduct from the amount that it must pay to a library
11 district under this paragraph any amount that it has
12 voluntarily paid to the library district from the tax
13 increment revenue. The amount paid to a library district
14 under this paragraph (7.7) shall be no more than 2% of the
15 amount produced by the assisted housing units and
16 deposited into the Special Tax Allocation Fund.

17 A library district is not eligible for any payment
18 under this paragraph (7.7) unless the library district has
19 experienced an increase in the number of patrons from the
20 municipality that created the tax-increment-financing
21 district since the designation of the redevelopment
22 project area.

23 Any library district seeking payment under this
24 paragraph (7.7) shall, after July 1 and before September
25 30 of each year, provide the municipality with convincing
26 evidence to support its claim for reimbursement before the

1 municipality shall be required to approve or make the
2 payment to the library district. If the library district
3 fails to provide the information during this period in any
4 year, it shall forfeit any claim to reimbursement for that
5 year. Library districts may adopt a resolution waiving the
6 right to all or a portion of the reimbursement otherwise
7 required by this paragraph (7.7). By acceptance of such
8 reimbursement, the library district shall forfeit any
9 right to directly or indirectly set aside, modify, or
10 contest in any manner whatsoever the establishment of the
11 redevelopment project area or projects;

12 (8) Relocation costs to the extent that a municipality
13 determines that relocation costs shall be paid or is
14 required to make payment of relocation costs by federal or
15 State law or in order to satisfy subparagraph (7) of
16 subsection (n);

17 (9) Payment in lieu of taxes;

18 (10) Costs of job training, retraining, advanced
19 vocational education or career education, including but
20 not limited to courses in occupational, semi-technical or
21 technical fields leading directly to employment, incurred
22 by one or more taxing districts, provided that such costs
23 (i) are related to the establishment and maintenance of
24 additional job training, advanced vocational education or
25 career education programs for persons employed or to be
26 employed by employers located in a redevelopment project

1 area; and (ii) when incurred by a taxing district or
2 taxing districts other than the municipality, are set
3 forth in a written agreement by or among the municipality
4 and the taxing district or taxing districts, which
5 agreement describes the program to be undertaken,
6 including but not limited to the number of employees to be
7 trained, a description of the training and services to be
8 provided, the number and type of positions available or to
9 be available, itemized costs of the program and sources of
10 funds to pay for the same, and the term of the agreement.
11 Such costs include, specifically, the payment by community
12 college districts of costs pursuant to Sections 3-37,
13 3-38, 3-40 and 3-40.1 of the Public Community College Act
14 and by school districts of costs pursuant to Sections
15 10-22.20a and 10-23.3a of the School Code;

16 (11) Interest cost incurred by a redeveloper related
17 to the construction, renovation or rehabilitation of a
18 redevelopment project provided that:

19 (A) such costs are to be paid directly from the
20 special tax allocation fund established pursuant to
21 this Act;

22 (B) such payments in any one year may not exceed
23 30% of the annual interest costs incurred by the
24 redeveloper with regard to the redevelopment project
25 during that year;

26 (C) if there are not sufficient funds available in

1 the special tax allocation fund to make the payment
2 pursuant to this paragraph (11) then the amounts so
3 due shall accrue and be payable when sufficient funds
4 are available in the special tax allocation fund;

5 (D) the total of such interest payments paid
6 pursuant to this Act may not exceed 30% of the total
7 (i) cost paid or incurred by the redeveloper for the
8 redevelopment project plus (ii) redevelopment project
9 costs excluding any property assembly costs and any
10 relocation costs incurred by a municipality pursuant
11 to this Act;

12 (E) the cost limits set forth in subparagraphs (B)
13 and (D) of paragraph (11) shall be modified for the
14 financing of rehabilitated or new housing units for
15 low-income households and very low-income households,
16 as defined in Section 3 of the Illinois Affordable
17 Housing Act. The percentage of 75% shall be
18 substituted for 30% in subparagraphs (B) and (D) of
19 paragraph (11); and

20 (F) instead of the eligible costs provided by
21 subparagraphs (B) and (D) of paragraph (11), as
22 modified by this subparagraph, and notwithstanding any
23 other provisions of this Act to the contrary, the
24 municipality may pay from tax increment revenues up to
25 50% of the cost of construction of new housing units to
26 be occupied by low-income households and very

1 low-income households as defined in Section 3 of the
2 Illinois Affordable Housing Act. The cost of
3 construction of those units may be derived from the
4 proceeds of bonds issued by the municipality under
5 this Act or other constitutional or statutory
6 authority or from other sources of municipal revenue
7 that may be reimbursed from tax increment revenues or
8 the proceeds of bonds issued to finance the
9 construction of that housing.

10 The eligible costs provided under this
11 subparagraph (F) of paragraph (11) shall be an
12 eligible cost for the construction, renovation, and
13 rehabilitation of all low and very low-income housing
14 units, as defined in Section 3 of the Illinois
15 Affordable Housing Act, within the redevelopment
16 project area. If the low and very low-income units are
17 part of a residential redevelopment project that
18 includes units not affordable to low and very
19 low-income households, only the low and very
20 low-income units shall be eligible for benefits under
21 this subparagraph (F) of paragraph (11). The standards
22 for maintaining the occupancy by low-income households
23 and very low-income households, as defined in Section
24 3 of the Illinois Affordable Housing Act, of those
25 units constructed with eligible costs made available
26 under the provisions of this subparagraph (F) of

1 paragraph (11) shall be established by guidelines
2 adopted by the municipality. The responsibility for
3 annually documenting the initial occupancy of the
4 units by low-income households and very low-income
5 households, as defined in Section 3 of the Illinois
6 Affordable Housing Act, shall be that of the then
7 current owner of the property. For ownership units,
8 the guidelines will provide, at a minimum, for a
9 reasonable recapture of funds, or other appropriate
10 methods designed to preserve the original
11 affordability of the ownership units. For rental
12 units, the guidelines will provide, at a minimum, for
13 the affordability of rent to low and very low-income
14 households. As units become available, they shall be
15 rented to income-eligible tenants. The municipality
16 may modify these guidelines from time to time; the
17 guidelines, however, shall be in effect for as long as
18 tax increment revenue is being used to pay for costs
19 associated with the units or for the retirement of
20 bonds issued to finance the units or for the life of
21 the redevelopment project area, whichever is later;

22 (11.5) If the redevelopment project area is located
23 within a municipality with a population of more than
24 100,000, the cost of day care services for children of
25 employees from low-income families working for businesses
26 located within the redevelopment project area and all or a

1 portion of the cost of operation of day care centers
2 established by redevelopment project area businesses to
3 serve employees from low-income families working in
4 businesses located in the redevelopment project area. For
5 the purposes of this paragraph, "low-income families"
6 means families whose annual income does not exceed 80% of
7 the municipal, county, or regional median income, adjusted
8 for family size, as the annual income and municipal,
9 county, or regional median income are determined from time
10 to time by the United States Department of Housing and
11 Urban Development.

12 (12) Costs relating to the development of urban
13 agricultural areas under Division 15.2 of the Illinois
14 Municipal Code.

15 (13) Costs relating to the construction or
16 rehabilitation of residential development housing units,
17 including the costs to offset infrastructure costs
18 necessary to enable housing developments and the costs to
19 promote the redevelopment of areas where market conditions
20 would not otherwise support residential investment.

21 Unless explicitly stated herein the cost of construction
22 of new privately-owned buildings shall not be an eligible
23 redevelopment project cost.

24 After November 1, 1999 (the effective date of Public Act
25 91-478), none of the redevelopment project costs enumerated in
26 this subsection shall be eligible redevelopment project costs

1 if those costs would provide direct financial support to a
2 retail entity initiating operations in the redevelopment
3 project area while terminating operations at another Illinois
4 location within 10 miles of the redevelopment project area but
5 outside the boundaries of the redevelopment project area
6 municipality. For purposes of this paragraph, termination
7 means a closing of a retail operation that is directly related
8 to the opening of the same operation or like retail entity
9 owned or operated by more than 50% of the original ownership in
10 a redevelopment project area, but it does not mean closing an
11 operation for reasons beyond the control of the retail entity,
12 as documented by the retail entity, subject to a reasonable
13 finding by the municipality that the current location
14 contained inadequate space, had become economically obsolete,
15 or was no longer a viable location for the retailer or
16 serviceman.

17 No cost shall be a redevelopment project cost in a
18 redevelopment project area if used to demolish, remove, or
19 substantially modify a historic resource, after August 26,
20 2008 (the effective date of Public Act 95-934), unless no
21 prudent and feasible alternative exists. "Historic resource"
22 for the purpose of this paragraph means (i) a place or
23 structure that is included or eligible for inclusion on the
24 National Register of Historic Places or (ii) a contributing
25 structure in a district on the National Register of Historic
26 Places. This paragraph does not apply to a place or structure

1 for which demolition, removal, or modification is subject to
2 review by the preservation agency of a Certified Local
3 Government designated as such by the National Park Service of
4 the United States Department of the Interior.

5 If a special service area has been established pursuant to
6 the Special Service Area Tax Act or Special Service Area Tax
7 Law, then any tax increment revenues derived from the tax
8 imposed pursuant to the Special Service Area Tax Act or
9 Special Service Area Tax Law may be used within the
10 redevelopment project area for the purposes permitted by that
11 Act or Law as well as the purposes permitted by this Act.

12 (q-1) For redevelopment project areas created pursuant to
13 subsection (p-1), redevelopment project costs are limited to
14 those costs in paragraph (q) that are related to the existing
15 or proposed Regional Transportation Authority Suburban Transit
16 Access Route (STAR Line) station.

17 (q-2) For a transit facility improvement area established
18 prior to, on, or after the effective date of this amendatory
19 Act of the 102nd General Assembly: (i) "redevelopment project
20 costs" means those costs described in subsection (q) that are
21 related to the construction, reconstruction, rehabilitation,
22 remodeling, or repair of any existing or proposed transit
23 facility, whether that facility is located within or outside
24 the boundaries of a redevelopment project area established
25 within that transit facility improvement area (and, to the
26 extent a redevelopment project cost is described in subsection

1 (q) as incurred or estimated to be incurred with respect to a
2 redevelopment project area, then it shall apply with respect
3 to such transit facility improvement area); and (ii) the
4 provisions of Section 11-74.4-8 regarding tax increment
5 allocation financing for a redevelopment project area located
6 in a transit facility improvement area shall apply only to the
7 lots, blocks, tracts and parcels of real property that are
8 located within the boundaries of that redevelopment project
9 area and not to the lots, blocks, tracts, and parcels of real
10 property that are located outside the boundaries of that
11 redevelopment project area.

12 (r) "State Sales Tax Boundary" means the redevelopment
13 project area or the amended redevelopment project area
14 boundaries which are determined pursuant to subsection (9) of
15 Section 11-74.4-8a of this Act. The Department of Revenue
16 shall certify pursuant to subsection (9) of Section 11-74.4-8a
17 the appropriate boundaries eligible for the determination of
18 State Sales Tax Increment.

19 (s) "State Sales Tax Increment" means an amount equal to
20 the increase in the aggregate amount of taxes paid by
21 retailers and servicemen, other than retailers and servicemen
22 subject to the Public Utilities Act, on transactions at places
23 of business located within a State Sales Tax Boundary pursuant
24 to the Retailers' Occupation Tax Act, the Use Tax Act, the
25 Service Use Tax Act, and the Service Occupation Tax Act,
26 except such portion of such increase that is paid into the

1 State and Local Sales Tax Reform Fund, the Local Government
2 Distributive Fund, the Local Government Tax Fund and the
3 County and Mass Transit District Fund, for as long as State
4 participation exists, over and above the Initial Sales Tax
5 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
6 Initial Sales Tax Amounts for such taxes as certified by the
7 Department of Revenue and paid under those Acts by retailers
8 and servicemen on transactions at places of business located
9 within the State Sales Tax Boundary during the base year which
10 shall be the calendar year immediately prior to the year in
11 which the municipality adopted tax increment allocation
12 financing, less 3.0% of such amounts generated under the
13 Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax
14 Act and the Service Occupation Tax Act, which sum shall be
15 appropriated to the Department of Revenue to cover its costs
16 of administering and enforcing this Section. For purposes of
17 computing the aggregate amount of such taxes for base years
18 occurring prior to 1985, the Department of Revenue shall
19 compute the Initial Sales Tax Amount for such taxes and deduct
20 therefrom an amount equal to 4% of the aggregate amount of
21 taxes per year for each year the base year is prior to 1985,
22 but not to exceed a total deduction of 12%. The amount so
23 determined shall be known as the "Adjusted Initial Sales Tax
24 Amount". For purposes of determining the State Sales Tax
25 Increment the Department of Revenue shall for each period
26 subtract from the tax amounts received from retailers and

1 servicemen on transactions located in the State Sales Tax
2 Boundary, the certified Initial Sales Tax Amounts, Adjusted
3 Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts
4 for the Retailers' Occupation Tax Act, the Use Tax Act, the
5 Service Use Tax Act and the Service Occupation Tax Act. For the
6 State Fiscal Year 1989 this calculation shall be made by
7 utilizing the calendar year 1987 to determine the tax amounts
8 received. For the State Fiscal Year 1990, this calculation
9 shall be made by utilizing the period from January 1, 1988,
10 until September 30, 1988, to determine the tax amounts
11 received from retailers and servicemen, which shall have
12 deducted therefrom nine-twelfths of the certified Initial
13 Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the
14 Revised Initial Sales Tax Amounts as appropriate. For the
15 State Fiscal Year 1991, this calculation shall be made by
16 utilizing the period from October 1, 1988, until June 30,
17 1989, to determine the tax amounts received from retailers and
18 servicemen, which shall have deducted therefrom nine-twelfths
19 of the certified Initial State Sales Tax Amounts, Adjusted
20 Initial Sales Tax Amounts or the Revised Initial Sales Tax
21 Amounts as appropriate. For every State Fiscal Year
22 thereafter, the applicable period shall be the 12 months
23 beginning July 1 and ending on June 30, to determine the tax
24 amounts received which shall have deducted therefrom the
25 certified Initial Sales Tax Amounts, Adjusted Initial Sales
26 Tax Amounts or the Revised Initial Sales Tax Amounts.

1 Municipalities intending to receive a distribution of State
2 Sales Tax Increment must report a list of retailers to the
3 Department of Revenue by October 31, 1988 and by July 31, of
4 each year thereafter.

5 (t) "Taxing districts" means counties, townships, cities
6 and incorporated towns and villages, school, road, park,
7 sanitary, mosquito abatement, forest preserve, public health,
8 fire protection, river conservancy, tuberculosis sanitarium
9 and any other municipal corporations or districts with the
10 power to levy taxes.

11 (u) "Taxing districts' capital costs" means those costs of
12 taxing districts for capital improvements that are found by
13 the municipal corporate authorities to be necessary and
14 directly result from the redevelopment project.

15 (v) As used in subsection (a) of Section 11-74.4-3 of this
16 Act, "vacant land" means any parcel or combination of parcels
17 of real property without industrial, commercial, and
18 residential buildings which has not been used for commercial
19 agricultural purposes within 5 years prior to the designation
20 of the redevelopment project area, unless the parcel is
21 included in an industrial park conservation area or the parcel
22 has been subdivided; provided that if the parcel was part of a
23 larger tract that has been divided into 3 or more smaller
24 tracts that were accepted for recording during the period from
25 1950 to 1990, then the parcel shall be deemed to have been
26 subdivided, and all proceedings and actions of the

1 municipality taken in that connection with respect to any
2 previously approved or designated redevelopment project area
3 or amended redevelopment project area are hereby validated and
4 hereby declared to be legally sufficient for all purposes of
5 this Act. For purposes of this Section and only for land
6 subject to the subdivision requirements of the Plat Act, land
7 is subdivided when the original plat of the proposed
8 Redevelopment Project Area or relevant portion thereof has
9 been properly certified, acknowledged, approved, and recorded
10 or filed in accordance with the Plat Act and a preliminary
11 plat, if any, for any subsequent phases of the proposed
12 Redevelopment Project Area or relevant portion thereof has
13 been properly approved and filed in accordance with the
14 applicable ordinance of the municipality.

15 (w) "Annual Total Increment" means the sum of each
16 municipality's annual Net Sales Tax Increment and each
17 municipality's annual Net Utility Tax Increment. The ratio of
18 the Annual Total Increment of each municipality to the Annual
19 Total Increment for all municipalities, as most recently
20 calculated by the Department, shall determine the proportional
21 shares of the Illinois Tax Increment Fund to be distributed to
22 each municipality.

23 (x) "LEED certified" means any certification level of
24 construction elements by a qualified Leadership in Energy and
25 Environmental Design Accredited Professional as determined by
26 the U.S. Green Building Council.

1 (y) "Green Globes certified" means any certification level
2 of construction elements by a qualified Green Globes
3 Professional as determined by the Green Building Initiative.
4 (Source: P.A. 102-627, eff. 8-27-21.)

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

6 Sec. 11-74.4-3. Definitions. The following terms, wherever
7 used or referred to in this Division 74.4 shall have the
8 following respective meanings, unless in any case a different
9 meaning clearly appears from the context.

10 (a) For any redevelopment project area that has been
11 designated pursuant to this Section by an ordinance adopted
12 prior to November 1, 1999 (the effective date of Public Act
13 91-478), "blighted area" shall have the meaning set forth in
14 this Section prior to that date.

15 On and after November 1, 1999, "blighted area" means any
16 improved or vacant area within the boundaries of a
17 redevelopment project area located within the territorial
18 limits of the municipality where:

19 (1) If improved, industrial, commercial, and
20 residential buildings or improvements are detrimental to
21 the public safety, health, or welfare because of a
22 combination of 5 or more of the following factors, each of
23 which is (i) present, with that presence documented, to a
24 meaningful extent so that a municipality may reasonably
25 find that the factor is clearly present within the intent

1 of the Act and (ii) reasonably distributed throughout the
2 improved part of the redevelopment project area:

3 (A) Dilapidation. An advanced state of disrepair
4 or neglect of necessary repairs to the primary
5 structural components of buildings or improvements in
6 such a combination that a documented building
7 condition analysis determines that major repair is
8 required or the defects are so serious and so
9 extensive that the buildings must be removed.

10 (B) Obsolescence. The condition or process of
11 falling into disuse. Structures have become ill-suited
12 for the original use.

13 (C) Deterioration. With respect to buildings,
14 defects including, but not limited to, major defects
15 in the secondary building components such as doors,
16 windows, porches, gutters and downspouts, and fascia.
17 With respect to surface improvements, that the
18 condition of roadways, alleys, curbs, gutters,
19 sidewalks, off-street parking, and surface storage
20 areas evidence deterioration, including, but not
21 limited to, surface cracking, crumbling, potholes,
22 depressions, loose paving material, and weeds
23 protruding through paved surfaces.

24 (D) Presence of structures below minimum code
25 standards. All structures that do not meet the
26 standards of zoning, subdivision, building, fire, and

1 other governmental codes applicable to property, but
2 not including housing and property maintenance codes.

3 (E) Illegal use of individual structures. The use
4 of structures in violation of applicable federal,
5 State, or local laws, exclusive of those applicable to
6 the presence of structures below minimum code
7 standards.

8 (F) Excessive vacancies. The presence of buildings
9 that are unoccupied or under-utilized and that
10 represent an adverse influence on the area because of
11 the frequency, extent, or duration of the vacancies.

12 (G) Lack of ventilation, light, or sanitary
13 facilities. The absence of adequate ventilation for
14 light or air circulation in spaces or rooms without
15 windows, or that require the removal of dust, odor,
16 gas, smoke, or other noxious airborne materials.
17 Inadequate natural light and ventilation means the
18 absence of skylights or windows for interior spaces or
19 rooms and improper window sizes and amounts by room
20 area to window area ratios. Inadequate sanitary
21 facilities refers to the absence or inadequacy of
22 garbage storage and enclosure, bathroom facilities,
23 hot water and kitchens, and structural inadequacies
24 preventing ingress and egress to and from all rooms
25 and units within a building.

26 (H) Inadequate utilities. Underground and overhead

1 utilities such as storm sewers and storm drainage,
2 sanitary sewers, water lines, and gas, telephone, and
3 electrical services that are shown to be inadequate.
4 Inadequate utilities are those that are: (i) of
5 insufficient capacity to serve the uses in the
6 redevelopment project area, (ii) deteriorated,
7 antiquated, obsolete, or in disrepair, or (iii)
8 lacking within the redevelopment project area.

9 (I) Excessive land coverage and overcrowding of
10 structures and community facilities. The
11 over-intensive use of property and the crowding of
12 buildings and accessory facilities onto a site.
13 Examples of problem conditions warranting the
14 designation of an area as one exhibiting excessive
15 land coverage are: (i) the presence of buildings
16 either improperly situated on parcels or located on
17 parcels of inadequate size and shape in relation to
18 present-day standards of development for health and
19 safety and (ii) the presence of multiple buildings on
20 a single parcel. For there to be a finding of excessive
21 land coverage, these parcels must exhibit one or more
22 of the following conditions: insufficient provision
23 for light and air within or around buildings,
24 increased threat of spread of fire due to the close
25 proximity of buildings, lack of adequate or proper
26 access to a public right-of-way, lack of reasonably

1 required off-street parking, or inadequate provision
2 for loading and service.

3 (J) Deleterious land use or layout. The existence
4 of incompatible land-use relationships, buildings
5 occupied by inappropriate mixed-uses, or uses
6 considered to be noxious, offensive, or unsuitable for
7 the surrounding area.

8 (K) Environmental clean-up. The proposed
9 redevelopment project area has incurred Illinois
10 Environmental Protection Agency or United States
11 Environmental Protection Agency remediation costs for,
12 or a study conducted by an independent consultant
13 recognized as having expertise in environmental
14 remediation has determined a need for, the clean-up of
15 hazardous waste, hazardous substances, or underground
16 storage tanks required by State or federal law,
17 provided that the remediation costs constitute a
18 material impediment to the development or
19 redevelopment of the redevelopment project area.

20 (L) Lack of community planning. The proposed
21 redevelopment project area was developed prior to or
22 without the benefit or guidance of a community plan.
23 This means that the development occurred prior to the
24 adoption by the municipality of a comprehensive or
25 other community plan or that the plan was not followed
26 at the time of the area's development. This factor

1 must be documented by evidence of adverse or
2 incompatible land-use relationships, inadequate street
3 layout, improper subdivision, parcels of inadequate
4 shape and size to meet contemporary development
5 standards, or other evidence demonstrating an absence
6 of effective community planning.

7 (M) The total equalized assessed value of the
8 proposed redevelopment project area has declined for 3
9 of the last 5 calendar years prior to the year in which
10 the redevelopment project area is designated or is
11 increasing at an annual rate that is less than the
12 balance of the municipality for 3 of the last 5
13 calendar years for which information is available or
14 is increasing at an annual rate that is less than the
15 Consumer Price Index for All Urban Consumers published
16 by the United States Department of Labor or successor
17 agency for 3 of the last 5 calendar years prior to the
18 year in which the redevelopment project area is
19 designated.

20 (2) If vacant, the sound growth of the redevelopment
21 project area is impaired by a combination of 2 or more of
22 the following factors, each of which is (i) present, with
23 that presence documented, to a meaningful extent so that a
24 municipality may reasonably find that the factor is
25 clearly present within the intent of the Act and (ii)
26 reasonably distributed throughout the vacant part of the

1 redevelopment project area to which it pertains:

2 (A) Obsolete platting of vacant land that results
3 in parcels of limited or narrow size or configurations
4 of parcels of irregular size or shape that would be
5 difficult to develop on a planned basis and in a manner
6 compatible with contemporary standards and
7 requirements, or platting that failed to create
8 rights-of-way for streets or alleys or that created
9 inadequate right-of-way widths for streets, alleys, or
10 other public rights-of-way or that omitted easements
11 for public utilities.

12 (B) Diversity of ownership of parcels of vacant
13 land sufficient in number to retard or impede the
14 ability to assemble the land for development.

15 (C) Tax and special assessment delinquencies exist
16 or the property has been the subject of tax sales under
17 the Property Tax Code within the last 5 years.

18 (D) Deterioration of structures or site
19 improvements in neighboring areas adjacent to the
20 vacant land.

21 (E) The area has incurred Illinois Environmental
22 Protection Agency or United States Environmental
23 Protection Agency remediation costs for, or a study
24 conducted by an independent consultant recognized as
25 having expertise in environmental remediation has
26 determined a need for, the clean-up of hazardous

1 waste, hazardous substances, or underground storage
2 tanks required by State or federal law, provided that
3 the remediation costs constitute a material impediment
4 to the development or redevelopment of the
5 redevelopment project area.

6 (F) The total equalized assessed value of the
7 proposed redevelopment project area has declined for 3
8 of the last 5 calendar years prior to the year in which
9 the redevelopment project area is designated or is
10 increasing at an annual rate that is less than the
11 balance of the municipality for 3 of the last 5
12 calendar years for which information is available or
13 is increasing at an annual rate that is less than the
14 Consumer Price Index for All Urban Consumers published
15 by the United States Department of Labor or successor
16 agency for 3 of the last 5 calendar years prior to the
17 year in which the redevelopment project area is
18 designated.

19 (3) If vacant, the sound growth of the redevelopment
20 project area is impaired by one of the following factors
21 that (i) is present, with that presence documented, to a
22 meaningful extent so that a municipality may reasonably
23 find that the factor is clearly present within the intent
24 of the Act and (ii) is reasonably distributed throughout
25 the vacant part of the redevelopment project area to which
26 it pertains:

1 (A) The area consists of one or more unused
2 quarries, mines, or strip mine ponds.

3 (B) The area consists of unused rail yards, rail
4 tracks, or railroad rights-of-way.

5 (C) The area, prior to its designation, is subject
6 to (i) chronic flooding that adversely impacts on real
7 property in the area as certified by a registered
8 professional engineer or appropriate regulatory agency
9 or (ii) surface water that discharges from all or a
10 part of the area and contributes to flooding within
11 the same watershed, but only if the redevelopment
12 project provides for facilities or improvements to
13 contribute to the alleviation of all or part of the
14 flooding.

15 (D) The area consists of an unused or illegal
16 disposal site containing earth, stone, building
17 debris, or similar materials that were removed from
18 construction, demolition, excavation, or dredge sites.

19 (E) Prior to November 1, 1999, the area is not less
20 than 50 nor more than 100 acres and 75% of which is
21 vacant (notwithstanding that the area has been used
22 for commercial agricultural purposes within 5 years
23 prior to the designation of the redevelopment project
24 area), and the area meets at least one of the factors
25 itemized in paragraph (1) of this subsection, the area
26 has been designated as a town or village center by

1 ordinance or comprehensive plan adopted prior to
2 January 1, 1982, and the area has not been developed
3 for that designated purpose.

4 (F) The area qualified as a blighted improved area
5 immediately prior to becoming vacant, unless there has
6 been substantial private investment in the immediately
7 surrounding area.

8 (b) For any redevelopment project area that has been
9 designated pursuant to this Section by an ordinance adopted
10 prior to November 1, 1999 (the effective date of Public Act
11 91-478), "conservation area" shall have the meaning set forth
12 in this Section prior to that date.

13 On and after November 1, 1999, "conservation area" means
14 any improved area within the boundaries of a redevelopment
15 project area located within the territorial limits of the
16 municipality in which 50% or more of the structures in the area
17 have an age of 35 years or more. Such an area is not yet a
18 blighted area but because of a combination of 3 or more of the
19 following factors is detrimental to the public safety, health,
20 morals or welfare and such an area may become a blighted area:

21 (1) Dilapidation. An advanced state of disrepair or
22 neglect of necessary repairs to the primary structural
23 components of buildings or improvements in such a
24 combination that a documented building condition analysis
25 determines that major repair is required or the defects
26 are so serious and so extensive that the buildings must be

1 removed.

2 (2) Obsolescence. The condition or process of falling
3 into disuse. Structures have become ill-suited for the
4 original use.

5 (3) Deterioration. With respect to buildings, defects
6 including, but not limited to, major defects in the
7 secondary building components such as doors, windows,
8 porches, gutters and downspouts, and fascia. With respect
9 to surface improvements, that the condition of roadways,
10 alleys, curbs, gutters, sidewalks, off-street parking, and
11 surface storage areas evidence deterioration, including,
12 but not limited to, surface cracking, crumbling, potholes,
13 depressions, loose paving material, and weeds protruding
14 through paved surfaces.

15 (4) Presence of structures below minimum code
16 standards. All structures that do not meet the standards
17 of zoning, subdivision, building, fire, and other
18 governmental codes applicable to property, but not
19 including housing and property maintenance codes.

20 (5) Illegal use of individual structures. The use of
21 structures in violation of applicable federal, State, or
22 local laws, exclusive of those applicable to the presence
23 of structures below minimum code standards.

24 (6) Excessive vacancies. The presence of buildings
25 that are unoccupied or under-utilized and that represent
26 an adverse influence on the area because of the frequency,

1 extent, or duration of the vacancies.

2 (7) Lack of ventilation, light, or sanitary
3 facilities. The absence of adequate ventilation for light
4 or air circulation in spaces or rooms without windows, or
5 that require the removal of dust, odor, gas, smoke, or
6 other noxious airborne materials. Inadequate natural light
7 and ventilation means the absence or inadequacy of
8 skylights or windows for interior spaces or rooms and
9 improper window sizes and amounts by room area to window
10 area ratios. Inadequate sanitary facilities refers to the
11 absence or inadequacy of garbage storage and enclosure,
12 bathroom facilities, hot water and kitchens, and
13 structural inadequacies preventing ingress and egress to
14 and from all rooms and units within a building.

15 (8) Inadequate utilities. Underground and overhead
16 utilities such as storm sewers and storm drainage,
17 sanitary sewers, water lines, and gas, telephone, and
18 electrical services that are shown to be inadequate.
19 Inadequate utilities are those that are: (i) of
20 insufficient capacity to serve the uses in the
21 redevelopment project area, (ii) deteriorated, antiquated,
22 obsolete, or in disrepair, or (iii) lacking within the
23 redevelopment project area.

24 (9) Excessive land coverage and overcrowding of
25 structures and community facilities. The over-intensive
26 use of property and the crowding of buildings and

1 accessory facilities onto a site. Examples of problem
2 conditions warranting the designation of an area as one
3 exhibiting excessive land coverage are: the presence of
4 buildings either improperly situated on parcels or located
5 on parcels of inadequate size and shape in relation to
6 present-day standards of development for health and safety
7 and the presence of multiple buildings on a single parcel.
8 For there to be a finding of excessive land coverage,
9 these parcels must exhibit one or more of the following
10 conditions: insufficient provision for light and air
11 within or around buildings, increased threat of spread of
12 fire due to the close proximity of buildings, lack of
13 adequate or proper access to a public right-of-way, lack
14 of reasonably required off-street parking, or inadequate
15 provision for loading and service.

16 (10) Deleterious land use or layout. The existence of
17 incompatible land-use relationships, buildings occupied by
18 inappropriate mixed-uses, or uses considered to be
19 noxious, offensive, or unsuitable for the surrounding
20 area.

21 (11) Lack of community planning. The proposed
22 redevelopment project area was developed prior to or
23 without the benefit or guidance of a community plan. This
24 means that the development occurred prior to the adoption
25 by the municipality of a comprehensive or other community
26 plan or that the plan was not followed at the time of the

1 area's development. This factor must be documented by
2 evidence of adverse or incompatible land-use
3 relationships, inadequate street layout, improper
4 subdivision, parcels of inadequate shape and size to meet
5 contemporary development standards, or other evidence
6 demonstrating an absence of effective community planning.

7 (12) The area has incurred Illinois Environmental
8 Protection Agency or United States Environmental
9 Protection Agency remediation costs for, or a study
10 conducted by an independent consultant recognized as
11 having expertise in environmental remediation has
12 determined a need for, the clean-up of hazardous waste,
13 hazardous substances, or underground storage tanks
14 required by State or federal law, provided that the
15 remediation costs constitute a material impediment to the
16 development or redevelopment of the redevelopment project
17 area.

18 (13) The total equalized assessed value of the
19 proposed redevelopment project area has declined for 3 of
20 the last 5 calendar years for which information is
21 available or is increasing at an annual rate that is less
22 than the balance of the municipality for 3 of the last 5
23 calendar years for which information is available or is
24 increasing at an annual rate that is less than the
25 Consumer Price Index for All Urban Consumers published by
26 the United States Department of Labor or successor agency

1 for 3 of the last 5 calendar years for which information is
2 available.

3 (c) "Industrial park" means an area in a blighted or
4 conservation area suitable for use by any manufacturing,
5 industrial, research or transportation enterprise, of
6 facilities to include but not be limited to factories, mills,
7 processing plants, assembly plants, packing plants,
8 fabricating plants, industrial distribution centers,
9 warehouses, repair overhaul or service facilities, freight
10 terminals, research facilities, test facilities or railroad
11 facilities.

12 (d) "Industrial park conservation area" means an area
13 within the boundaries of a redevelopment project area located
14 within the territorial limits of a municipality that is a
15 labor surplus municipality or within 1 1/2 miles of the
16 territorial limits of a municipality that is a labor surplus
17 municipality if the area is annexed to the municipality; which
18 area is zoned as industrial no later than at the time the
19 municipality by ordinance designates the redevelopment project
20 area, and which area includes both vacant land suitable for
21 use as an industrial park and a blighted area or conservation
22 area contiguous to such vacant land.

23 (e) "Labor surplus municipality" means a municipality in
24 which, at any time during the 6 months before the municipality
25 by ordinance designates an industrial park conservation area,
26 the unemployment rate was over 6% and was also 100% or more of

1 the national average unemployment rate for that same time as
2 published in the United States Department of Labor Bureau of
3 Labor Statistics publication entitled "The Employment
4 Situation" or its successor publication. For the purpose of
5 this subsection, if unemployment rate statistics for the
6 municipality are not available, the unemployment rate in the
7 municipality shall be deemed to be the same as the
8 unemployment rate in the principal county in which the
9 municipality is located.

10 (f) "Municipality" shall mean a city, village,
11 incorporated town, or a township that is located in the
12 unincorporated portion of a county with 3 million or more
13 inhabitants, if the county adopted an ordinance that approved
14 the township's redevelopment plan.

15 (g) "Initial Sales Tax Amounts" means the amount of taxes
16 paid under the Retailers' Occupation Tax Act, Use Tax Act,
17 Service Use Tax Act, the Service Occupation Tax Act, the
18 Municipal Retailers' Occupation Tax Act, and the Municipal
19 Service Occupation Tax Act by retailers and servicemen on
20 transactions at places located in a State Sales Tax Boundary
21 during the calendar year 1985.

22 (g-1) "Revised Initial Sales Tax Amounts" means the amount
23 of taxes paid under the Retailers' Occupation Tax Act, Use Tax
24 Act, Service Use Tax Act, the Service Occupation Tax Act, the
25 Municipal Retailers' Occupation Tax Act, and the Municipal
26 Service Occupation Tax Act by retailers and servicemen on

1 transactions at places located within the State Sales Tax
2 Boundary revised pursuant to Section 11-74.4-8a(9) of this
3 Act.

4 (h) "Municipal Sales Tax Increment" means an amount equal
5 to the increase in the aggregate amount of taxes paid to a
6 municipality from the Local Government Tax Fund arising from
7 sales by retailers and servicemen within the redevelopment
8 project area or State Sales Tax Boundary, as the case may be,
9 for as long as the redevelopment project area or State Sales
10 Tax Boundary, as the case may be, exist over and above the
11 aggregate amount of taxes as certified by the Illinois
12 Department of Revenue and paid under the Municipal Retailers'
13 Occupation Tax Act and the Municipal Service Occupation Tax
14 Act by retailers and servicemen, on transactions at places of
15 business located in the redevelopment project area or State
16 Sales Tax Boundary, as the case may be, during the base year
17 which shall be the calendar year immediately prior to the year
18 in which the municipality adopted tax increment allocation
19 financing. For purposes of computing the aggregate amount of
20 such taxes for base years occurring prior to 1985, the
21 Department of Revenue shall determine the Initial Sales Tax
22 Amounts for such taxes and deduct therefrom an amount equal to
23 4% of the aggregate amount of taxes per year for each year the
24 base year is prior to 1985, but not to exceed a total deduction
25 of 12%. The amount so determined shall be known as the
26 "Adjusted Initial Sales Tax Amounts". For purposes of

1 determining the Municipal Sales Tax Increment, the Department
2 of Revenue shall for each period subtract from the amount paid
3 to the municipality from the Local Government Tax Fund arising
4 from sales by retailers and servicemen on transactions located
5 in the redevelopment project area or the State Sales Tax
6 Boundary, as the case may be, the certified Initial Sales Tax
7 Amounts, the Adjusted Initial Sales Tax Amounts or the Revised
8 Initial Sales Tax Amounts for the Municipal Retailers'
9 Occupation Tax Act and the Municipal Service Occupation Tax
10 Act. For the State Fiscal Year 1989, this calculation shall be
11 made by utilizing the calendar year 1987 to determine the tax
12 amounts received. For the State Fiscal Year 1990, this
13 calculation shall be made by utilizing the period from January
14 1, 1988, until September 30, 1988, to determine the tax
15 amounts received from retailers and servicemen pursuant to the
16 Municipal Retailers' Occupation Tax and the Municipal Service
17 Occupation Tax Act, which shall have deducted therefrom
18 nine-twelfths of the certified Initial Sales Tax Amounts, the
19 Adjusted Initial Sales Tax Amounts or the Revised Initial
20 Sales Tax Amounts as appropriate. For the State Fiscal Year
21 1991, this calculation shall be made by utilizing the period
22 from October 1, 1988, to June 30, 1989, to determine the tax
23 amounts received from retailers and servicemen pursuant to the
24 Municipal Retailers' Occupation Tax and the Municipal Service
25 Occupation Tax Act which shall have deducted therefrom
26 nine-twelfths of the certified Initial Sales Tax Amounts,

1 Adjusted Initial Sales Tax Amounts or the Revised Initial
2 Sales Tax Amounts as appropriate. For every State Fiscal Year
3 thereafter, the applicable period shall be the 12 months
4 beginning July 1 and ending June 30 to determine the tax
5 amounts received which shall have deducted therefrom the
6 certified Initial Sales Tax Amounts, the Adjusted Initial
7 Sales Tax Amounts or the Revised Initial Sales Tax Amounts, as
8 the case may be.

9 (i) "Net State Sales Tax Increment" means the sum of the
10 following: (a) 80% of the first \$100,000 of State Sales Tax
11 Increment annually generated within a State Sales Tax
12 Boundary; (b) 60% of the amount in excess of \$100,000 but not
13 exceeding \$500,000 of State Sales Tax Increment annually
14 generated within a State Sales Tax Boundary; and (c) 40% of all
15 amounts in excess of \$500,000 of State Sales Tax Increment
16 annually generated within a State Sales Tax Boundary. If,
17 however, a municipality established a tax increment financing
18 district in a county with a population in excess of 3,000,000
19 before January 1, 1986, and the municipality entered into a
20 contract or issued bonds after January 1, 1986, but before
21 December 31, 1986, to finance redevelopment project costs
22 within a State Sales Tax Boundary, then the Net State Sales Tax
23 Increment means, for the fiscal years beginning July 1, 1990,
24 and July 1, 1991, 100% of the State Sales Tax Increment
25 annually generated within a State Sales Tax Boundary; and
26 notwithstanding any other provision of this Act, for those

1 fiscal years the Department of Revenue shall distribute to
2 those municipalities 100% of their Net State Sales Tax
3 Increment before any distribution to any other municipality
4 and regardless of whether or not those other municipalities
5 will receive 100% of their Net State Sales Tax Increment. For
6 Fiscal Year 1999, and every year thereafter until the year
7 2007, for any municipality that has not entered into a
8 contract or has not issued bonds prior to June 1, 1988 to
9 finance redevelopment project costs within a State Sales Tax
10 Boundary, the Net State Sales Tax Increment shall be
11 calculated as follows: By multiplying the Net State Sales Tax
12 Increment by 90% in the State Fiscal Year 1999; 80% in the
13 State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60%
14 in the State Fiscal Year 2002; 50% in the State Fiscal Year
15 2003; 40% in the State Fiscal Year 2004; 30% in the State
16 Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in
17 the State Fiscal Year 2007. No payment shall be made for State
18 Fiscal Year 2008 and thereafter.

19 Municipalities that issued bonds in connection with a
20 redevelopment project in a redevelopment project area within
21 the State Sales Tax Boundary prior to July 29, 1991, or that
22 entered into contracts in connection with a redevelopment
23 project in a redevelopment project area before June 1, 1988,
24 shall continue to receive their proportional share of the
25 Illinois Tax Increment Fund distribution until the date on
26 which the redevelopment project is completed or terminated.

1 If, however, a municipality that issued bonds in connection
2 with a redevelopment project in a redevelopment project area
3 within the State Sales Tax Boundary prior to July 29, 1991
4 retires the bonds prior to June 30, 2007 or a municipality that
5 entered into contracts in connection with a redevelopment
6 project in a redevelopment project area before June 1, 1988
7 completes the contracts prior to June 30, 2007, then so long as
8 the redevelopment project is not completed or is not
9 terminated, the Net State Sales Tax Increment shall be
10 calculated, beginning on the date on which the bonds are
11 retired or the contracts are completed, as follows: By
12 multiplying the Net State Sales Tax Increment by 60% in the
13 State Fiscal Year 2002; 50% in the State Fiscal Year 2003; 40%
14 in the State Fiscal Year 2004; 30% in the State Fiscal Year
15 2005; 20% in the State Fiscal Year 2006; and 10% in the State
16 Fiscal Year 2007. No payment shall be made for State Fiscal
17 Year 2008 and thereafter. Refunding of any bonds issued prior
18 to July 29, 1991, shall not alter the Net State Sales Tax
19 Increment.

20 (j) "State Utility Tax Increment Amount" means an amount
21 equal to the aggregate increase in State electric and gas tax
22 charges imposed on owners and tenants, other than residential
23 customers, of properties located within the redevelopment
24 project area under Section 9-222 of the Public Utilities Act,
25 over and above the aggregate of such charges as certified by
26 the Department of Revenue and paid by owners and tenants,

1 other than residential customers, of properties within the
2 redevelopment project area during the base year, which shall
3 be the calendar year immediately prior to the year of the
4 adoption of the ordinance authorizing tax increment allocation
5 financing.

6 (k) "Net State Utility Tax Increment" means the sum of the
7 following: (a) 80% of the first \$100,000 of State Utility Tax
8 Increment annually generated by a redevelopment project area;
9 (b) 60% of the amount in excess of \$100,000 but not exceeding
10 \$500,000 of the State Utility Tax Increment annually generated
11 by a redevelopment project area; and (c) 40% of all amounts in
12 excess of \$500,000 of State Utility Tax Increment annually
13 generated by a redevelopment project area. For the State
14 Fiscal Year 1999, and every year thereafter until the year
15 2007, for any municipality that has not entered into a
16 contract or has not issued bonds prior to June 1, 1988 to
17 finance redevelopment project costs within a redevelopment
18 project area, the Net State Utility Tax Increment shall be
19 calculated as follows: By multiplying the Net State Utility
20 Tax Increment by 90% in the State Fiscal Year 1999; 80% in the
21 State Fiscal Year 2000; 70% in the State Fiscal Year 2001; 60%
22 in the State Fiscal Year 2002; 50% in the State Fiscal Year
23 2003; 40% in the State Fiscal Year 2004; 30% in the State
24 Fiscal Year 2005; 20% in the State Fiscal Year 2006; and 10% in
25 the State Fiscal Year 2007. No payment shall be made for the
26 State Fiscal Year 2008 and thereafter.

1 Municipalities that issue bonds in connection with the
2 redevelopment project during the period from June 1, 1988
3 until 3 years after the effective date of this Amendatory Act
4 of 1988 shall receive the Net State Utility Tax Increment,
5 subject to appropriation, for 15 State Fiscal Years after the
6 issuance of such bonds. For the 16th through the 20th State
7 Fiscal Years after issuance of the bonds, the Net State
8 Utility Tax Increment shall be calculated as follows: By
9 multiplying the Net State Utility Tax Increment by 90% in year
10 16; 80% in year 17; 70% in year 18; 60% in year 19; and 50% in
11 year 20. Refunding of any bonds issued prior to June 1, 1988,
12 shall not alter the revised Net State Utility Tax Increment
13 payments set forth above.

14 (1) "Obligations" mean bonds, loans, debentures, notes,
15 special certificates or other evidence of indebtedness issued
16 by the municipality to carry out a redevelopment project or to
17 refund outstanding obligations.

18 (m) "Payment in lieu of taxes" means those estimated tax
19 revenues from real property in a redevelopment project area
20 derived from real property that has been acquired by a
21 municipality which according to the redevelopment project or
22 plan is to be used for a private use which taxing districts
23 would have received had a municipality not acquired the real
24 property and adopted tax increment allocation financing and
25 which would result from levies made after the time of the
26 adoption of tax increment allocation financing to the time the

1 current equalized value of real property in the redevelopment
2 project area exceeds the total initial equalized value of real
3 property in said area.

4 (n) "Redevelopment plan" means the comprehensive program
5 of the municipality for development or redevelopment intended
6 by the payment of redevelopment project costs to reduce or
7 eliminate those conditions the existence of which qualified
8 the redevelopment project area as a "blighted area" or
9 "conservation area" or combination thereof or "industrial park
10 conservation area," and thereby to enhance the tax bases of
11 the taxing districts which extend into the redevelopment
12 project area, provided that, with respect to redevelopment
13 project areas described in subsections (p-1) and (p-2),
14 "redevelopment plan" means the comprehensive program of the
15 affected municipality for the development of qualifying
16 transit facilities. On and after November 1, 1999 (the
17 effective date of Public Act 91-478), no redevelopment plan
18 may be approved or amended that includes the development of
19 vacant land (i) with a golf course and related clubhouse and
20 other facilities or (ii) designated by federal, State, county,
21 or municipal government as public land for outdoor
22 recreational activities or for nature preserves and used for
23 that purpose within 5 years prior to the adoption of the
24 redevelopment plan. For the purpose of this subsection,
25 "recreational activities" is limited to mean camping and
26 hunting. Each redevelopment plan shall set forth in writing

1 the program to be undertaken to accomplish the objectives and
2 shall include but not be limited to:

3 (A) an itemized list of estimated redevelopment
4 project costs;

5 (B) evidence indicating that the redevelopment project
6 area on the whole has not been subject to growth and
7 development through investment by private enterprise,
8 provided that such evidence shall not be required for any
9 redevelopment project area located within a transit
10 facility improvement area established pursuant to Section
11 11-74.4-3.3;

12 (C) an assessment of any financial impact of the
13 redevelopment project area on or any increased demand for
14 services from any taxing district affected by the plan and
15 any program to address such financial impact or increased
16 demand;

17 (D) the sources of funds to pay costs;

18 (E) the nature and term of the obligations to be
19 issued;

20 (F) the most recent equalized assessed valuation of
21 the redevelopment project area;

22 (G) an estimate as to the equalized assessed valuation
23 after redevelopment and the general land uses to apply in
24 the redevelopment project area;

25 (H) a commitment to fair employment practices and an
26 affirmative action plan;

1 (I) if it concerns an industrial park conservation
2 area, the plan shall also include a general description of
3 any proposed developer, user and tenant of any property, a
4 description of the type, structure and general character
5 of the facilities to be developed, a description of the
6 type, class and number of new employees to be employed in
7 the operation of the facilities to be developed; and

8 (J) if property is to be annexed to the municipality,
9 the plan shall include the terms of the annexation
10 agreement.

11 The provisions of items (B) and (C) of this subsection (n)
12 shall not apply to a municipality that before March 14, 1994
13 (the effective date of Public Act 88-537) had fixed, either by
14 its corporate authorities or by a commission designated under
15 subsection (k) of Section 11-74.4-4, a time and place for a
16 public hearing as required by subsection (a) of Section
17 11-74.4-5. No redevelopment plan shall be adopted unless a
18 municipality complies with all of the following requirements:

19 (1) The municipality finds that the redevelopment
20 project area on the whole has not been subject to growth
21 and development through investment by private enterprise
22 and would not reasonably be anticipated to be developed
23 without the adoption of the redevelopment plan, provided,
24 however, that such a finding shall not be required with
25 respect to any redevelopment project area located within a
26 transit facility improvement area established pursuant to

1 Section 11-74.4-3.3.

2 (2) The municipality finds that the redevelopment plan
3 and project conform to the comprehensive plan for the
4 development of the municipality as a whole, or, for
5 municipalities with a population of 100,000 or more,
6 regardless of when the redevelopment plan and project was
7 adopted, the redevelopment plan and project either: (i)
8 conforms to the strategic economic development or
9 redevelopment plan issued by the designated planning
10 authority of the municipality, or (ii) includes land uses
11 that have been approved by the planning commission of the
12 municipality.

13 (3) The redevelopment plan establishes the estimated
14 dates of completion of the redevelopment project and
15 retirement of obligations issued to finance redevelopment
16 project costs. Those dates may not be later than the dates
17 set forth under Section 11-74.4-3.5.

18 A municipality may by municipal ordinance amend an
19 existing redevelopment plan to conform to this paragraph
20 (3) as amended by Public Act 91-478, which municipal
21 ordinance may be adopted without further hearing or notice
22 and without complying with the procedures provided in this
23 Act pertaining to an amendment to or the initial approval
24 of a redevelopment plan and project and designation of a
25 redevelopment project area.

26 (3.5) The municipality finds, in the case of an

1 industrial park conservation area, also that the
2 municipality is a labor surplus municipality and that the
3 implementation of the redevelopment plan will reduce
4 unemployment, create new jobs and by the provision of new
5 facilities enhance the tax base of the taxing districts
6 that extend into the redevelopment project area.

7 (4) If any incremental revenues are being utilized
8 under Section 8(a)(1) or 8(a)(2) of this Act in
9 redevelopment project areas approved by ordinance after
10 January 1, 1986, the municipality finds: (a) that the
11 redevelopment project area would not reasonably be
12 developed without the use of such incremental revenues,
13 and (b) that such incremental revenues will be exclusively
14 utilized for the development of the redevelopment project
15 area.

16 (5) If: (a) the redevelopment plan will not result in
17 displacement of residents from 10 or more inhabited
18 residential units, and the municipality certifies in the
19 plan that such displacement will not result from the plan;
20 or (b) the redevelopment plan is for a redevelopment
21 project area or a qualifying transit facility located
22 within a transit facility improvement area established
23 pursuant to Section 11-74.4-3.3, and the applicable
24 project is subject to the process for evaluation of
25 environmental effects under the National Environmental
26 Policy Act of 1969, 42 U.S.C. 4321 et seq., then a housing

1 impact study need not be performed. If, however, the
2 redevelopment plan would result in the displacement of
3 residents from 10 or more inhabited residential units, or
4 if the redevelopment project area contains 75 or more
5 inhabited residential units and no certification is made,
6 then the municipality shall prepare, as part of the
7 separate feasibility report required by subsection (a) of
8 Section 11-74.4-5, a housing impact study.

9 Part I of the housing impact study shall include (i)
10 data as to whether the residential units are single family
11 or multi-family units, (ii) the number and type of rooms
12 within the units, if that information is available, (iii)
13 whether the units are inhabited or uninhabited, as
14 determined not less than 45 days before the date that the
15 ordinance or resolution required by subsection (a) of
16 Section 11-74.4-5 is passed, and (iv) data as to the
17 racial and ethnic composition of the residents in the
18 inhabited residential units. The data requirement as to
19 the racial and ethnic composition of the residents in the
20 inhabited residential units shall be deemed to be fully
21 satisfied by data from the most recent federal census.

22 Part II of the housing impact study shall identify the
23 inhabited residential units in the proposed redevelopment
24 project area that are to be or may be removed. If inhabited
25 residential units are to be removed, then the housing
26 impact study shall identify (i) the number and location of

1 those units that will or may be removed, (ii) the
2 municipality's plans for relocation assistance for those
3 residents in the proposed redevelopment project area whose
4 residences are to be removed, (iii) the availability of
5 replacement housing for those residents whose residences
6 are to be removed, and shall identify the type, location,
7 and cost of the housing, and (iv) the type and extent of
8 relocation assistance to be provided.

9 (6) On and after November 1, 1999, the housing impact
10 study required by paragraph (5) shall be incorporated in
11 the redevelopment plan for the redevelopment project area.

12 (7) On and after November 1, 1999, no redevelopment
13 plan shall be adopted, nor an existing plan amended, nor
14 shall residential housing that is occupied by households
15 of low-income and very low-income persons in currently
16 existing redevelopment project areas be removed after
17 November 1, 1999 unless the redevelopment plan provides,
18 with respect to inhabited housing units that are to be
19 removed for households of low-income and very low-income
20 persons, affordable housing and relocation assistance not
21 less than that which would be provided under the federal
22 Uniform Relocation Assistance and Real Property
23 Acquisition Policies Act of 1970 and the regulations under
24 that Act, including the eligibility criteria. Affordable
25 housing may be either existing or newly constructed
26 housing. For purposes of this paragraph (7), "low-income

1 households", "very low-income households", and "affordable
2 housing" have the meanings set forth in the Illinois
3 Affordable Housing Act. The municipality shall make a good
4 faith effort to ensure that this affordable housing is
5 located in or near the redevelopment project area within
6 the municipality.

7 (8) On and after November 1, 1999, if, after the
8 adoption of the redevelopment plan for the redevelopment
9 project area, any municipality desires to amend its
10 redevelopment plan to remove more inhabited residential
11 units than specified in its original redevelopment plan,
12 that change shall be made in accordance with the
13 procedures in subsection (c) of Section 11-74.4-5.

14 (9) For redevelopment project areas designated prior
15 to November 1, 1999, the redevelopment plan may be amended
16 without further joint review board meeting or hearing,
17 provided that the municipality shall give notice of any
18 such changes by mail to each affected taxing district and
19 registrant on the interested party registry, to authorize
20 the municipality to expend tax increment revenues for
21 redevelopment project costs defined by paragraphs (5) and
22 (7.5), subparagraphs (E) and (F) of paragraph (11), and
23 paragraph (11.5) of subsection (q) of Section 11-74.4-3,
24 so long as the changes do not increase the total estimated
25 redevelopment project costs set out in the redevelopment
26 plan by more than 5% after adjustment for inflation from

1 the date the plan was adopted.

2 (o) "Redevelopment project" means any public and private
3 development project in furtherance of the objectives of a
4 redevelopment plan. On and after November 1, 1999 (the
5 effective date of Public Act 91-478), no redevelopment plan
6 may be approved or amended that includes the development of
7 vacant land (i) with a golf course and related clubhouse and
8 other facilities or (ii) designated by federal, State, county,
9 or municipal government as public land for outdoor
10 recreational activities or for nature preserves and used for
11 that purpose within 5 years prior to the adoption of the
12 redevelopment plan. For the purpose of this subsection,
13 "recreational activities" is limited to mean camping and
14 hunting.

15 (p) "Redevelopment project area" means an area designated
16 by the municipality, which is not less in the aggregate than 1
17 1/2 acres and in respect to which the municipality has made a
18 finding that there exist conditions which cause the area to be
19 classified as an industrial park conservation area or a
20 blighted area or a conservation area, or a combination of both
21 blighted areas and conservation areas.

22 (p-1) Notwithstanding any provision of this Act to the
23 contrary, on and after August 25, 2009 (the effective date of
24 Public Act 96-680), a redevelopment project area may include
25 areas within a one-half mile radius of an existing or proposed
26 Northern Illinois Transit Authority Suburban Transit Access

1 Route (STAR Line) station without a finding that the area is
2 classified as an industrial park conservation area, a blighted
3 area, a conservation area, or a combination thereof, but only
4 if the municipality receives unanimous consent from the joint
5 review board created to review the proposed redevelopment
6 project area.

7 (p-2) Notwithstanding any provision of this Act to the
8 contrary, on and after the effective date of this amendatory
9 Act of the 99th General Assembly, a redevelopment project area
10 may include areas within a transit facility improvement area
11 that has been established pursuant to Section 11-74.4-3.3
12 without a finding that the area is classified as an industrial
13 park conservation area, a blighted area, a conservation area,
14 or any combination thereof.

15 (q) "Redevelopment project costs", except for
16 redevelopment project areas created pursuant to subsection
17 (p-1) or (p-2), means and includes the sum total of all
18 reasonable or necessary costs incurred or estimated to be
19 incurred, and any such costs incidental to a redevelopment
20 plan and a redevelopment project. Such costs include, without
21 limitation, the following:

22 (1) Costs of studies, surveys, development of plans,
23 and specifications, implementation and administration of
24 the redevelopment plan including but not limited to staff
25 and professional service costs for architectural,
26 engineering, legal, financial, planning or other services,

1 provided however that no charges for professional services
2 may be based on a percentage of the tax increment
3 collected; except that on and after November 1, 1999 (the
4 effective date of Public Act 91-478), no contracts for
5 professional services, excluding architectural and
6 engineering services, may be entered into if the terms of
7 the contract extend beyond a period of 3 years. In
8 addition, "redevelopment project costs" shall not include
9 lobbying expenses. After consultation with the
10 municipality, each tax increment consultant or advisor to
11 a municipality that plans to designate or has designated a
12 redevelopment project area shall inform the municipality
13 in writing of any contracts that the consultant or advisor
14 has entered into with entities or individuals that have
15 received, or are receiving, payments financed by tax
16 increment revenues produced by the redevelopment project
17 area with respect to which the consultant or advisor has
18 performed, or will be performing, service for the
19 municipality. This requirement shall be satisfied by the
20 consultant or advisor before the commencement of services
21 for the municipality and thereafter whenever any other
22 contracts with those individuals or entities are executed
23 by the consultant or advisor;

24 (1.5) After July 1, 1999, annual administrative costs
25 shall not include general overhead or administrative costs
26 of the municipality that would still have been incurred by

1 the municipality if the municipality had not designated a
2 redevelopment project area or approved a redevelopment
3 plan;

4 (1.6) The cost of marketing sites within the
5 redevelopment project area to prospective businesses,
6 developers, and investors;

7 (2) Property assembly costs, including but not limited
8 to acquisition of land and other property, real or
9 personal, or rights or interests therein, demolition of
10 buildings, site preparation, site improvements that serve
11 as an engineered barrier addressing ground level or below
12 ground environmental contamination, including, but not
13 limited to parking lots and other concrete or asphalt
14 barriers, and the clearing and grading of land;

15 (3) Costs of rehabilitation, reconstruction or repair
16 or remodeling of existing public or private buildings,
17 fixtures, and leasehold improvements; and the cost of
18 replacing an existing public building if pursuant to the
19 implementation of a redevelopment project the existing
20 public building is to be demolished to use the site for
21 private investment or devoted to a different use requiring
22 private investment; including any direct or indirect costs
23 relating to Green Globes or LEED certified construction
24 elements or construction elements with an equivalent
25 certification;

26 (4) Costs of the construction of public works or

1 improvements, including any direct or indirect costs
2 relating to Green Globes or LEED certified construction
3 elements or construction elements with an equivalent
4 certification, except that on and after November 1, 1999,
5 redevelopment project costs shall not include the cost of
6 constructing a new municipal public building principally
7 used to provide offices, storage space, or conference
8 facilities or vehicle storage, maintenance, or repair for
9 administrative, public safety, or public works personnel
10 and that is not intended to replace an existing public
11 building as provided under paragraph (3) of subsection (q)
12 of Section 11-74.4-3 unless either (i) the construction of
13 the new municipal building implements a redevelopment
14 project that was included in a redevelopment plan that was
15 adopted by the municipality prior to November 1, 1999,
16 (ii) the municipality makes a reasonable determination in
17 the redevelopment plan, supported by information that
18 provides the basis for that determination, that the new
19 municipal building is required to meet an increase in the
20 need for public safety purposes anticipated to result from
21 the implementation of the redevelopment plan, or (iii) the
22 new municipal public building is for the storage,
23 maintenance, or repair of transit vehicles and is located
24 in a transit facility improvement area that has been
25 established pursuant to Section 11-74.4-3.3;

26 (5) Costs of job training and retraining projects,

1 including the cost of "welfare to work" programs
2 implemented by businesses located within the redevelopment
3 project area;

4 (6) Financing costs, including but not limited to all
5 necessary and incidental expenses related to the issuance
6 of obligations and which may include payment of interest
7 on any obligations issued hereunder including interest
8 accruing during the estimated period of construction of
9 any redevelopment project for which such obligations are
10 issued and for not exceeding 36 months thereafter and
11 including reasonable reserves related thereto;

12 (7) To the extent the municipality by written
13 agreement accepts and approves the same, all or a portion
14 of a taxing district's capital costs resulting from the
15 redevelopment project necessarily incurred or to be
16 incurred within a taxing district in furtherance of the
17 objectives of the redevelopment plan and project;

18 (7.5) For redevelopment project areas designated (or
19 redevelopment project areas amended to add or increase the
20 number of tax-increment-financing assisted housing units)
21 on or after November 1, 1999, an elementary, secondary, or
22 unit school district's increased costs attributable to
23 assisted housing units located within the redevelopment
24 project area for which the developer or redeveloper
25 receives financial assistance through an agreement with
26 the municipality or because the municipality incurs the

1 cost of necessary infrastructure improvements within the
2 boundaries of the assisted housing sites necessary for the
3 completion of that housing as authorized by this Act, and
4 which costs shall be paid by the municipality from the
5 Special Tax Allocation Fund when the tax increment revenue
6 is received as a result of the assisted housing units and
7 shall be calculated annually as follows:

8 (A) for foundation districts, excluding any school
9 district in a municipality with a population in excess
10 of 1,000,000, by multiplying the district's increase
11 in attendance resulting from the net increase in new
12 students enrolled in that school district who reside
13 in housing units within the redevelopment project area
14 that have received financial assistance through an
15 agreement with the municipality or because the
16 municipality incurs the cost of necessary
17 infrastructure improvements within the boundaries of
18 the housing sites necessary for the completion of that
19 housing as authorized by this Act since the
20 designation of the redevelopment project area by the
21 most recently available per capita tuition cost as
22 defined in Section 10-20.12a of the School Code less
23 any increase in general State aid as defined in
24 Section 18-8.05 of the School Code or evidence-based
25 funding as defined in Section 18-8.15 of the School
26 Code attributable to these added new students subject

1 to the following annual limitations:

2 (i) for unit school districts with a district
3 average 1995-96 Per Capita Tuition Charge of less
4 than \$5,900, no more than 25% of the total amount
5 of property tax increment revenue produced by
6 those housing units that have received tax
7 increment finance assistance under this Act;

8 (ii) for elementary school districts with a
9 district average 1995-96 Per Capita Tuition Charge
10 of less than \$5,900, no more than 17% of the total
11 amount of property tax increment revenue produced
12 by those housing units that have received tax
13 increment finance assistance under this Act; and

14 (iii) for secondary school districts with a
15 district average 1995-96 Per Capita Tuition Charge
16 of less than \$5,900, no more than 8% of the total
17 amount of property tax increment revenue produced
18 by those housing units that have received tax
19 increment finance assistance under this Act.

20 (B) For alternate method districts, flat grant
21 districts, and foundation districts with a district
22 average 1995-96 Per Capita Tuition Charge equal to or
23 more than \$5,900, excluding any school district with a
24 population in excess of 1,000,000, by multiplying the
25 district's increase in attendance resulting from the
26 net increase in new students enrolled in that school

1 district who reside in housing units within the
2 redevelopment project area that have received
3 financial assistance through an agreement with the
4 municipality or because the municipality incurs the
5 cost of necessary infrastructure improvements within
6 the boundaries of the housing sites necessary for the
7 completion of that housing as authorized by this Act
8 since the designation of the redevelopment project
9 area by the most recently available per capita tuition
10 cost as defined in Section 10-20.12a of the School
11 Code less any increase in general state aid as defined
12 in Section 18-8.05 of the School Code or
13 evidence-based funding as defined in Section 18-8.15
14 of the School Code attributable to these added new
15 students subject to the following annual limitations:

16 (i) for unit school districts, no more than
17 40% of the total amount of property tax increment
18 revenue produced by those housing units that have
19 received tax increment finance assistance under
20 this Act;

21 (ii) for elementary school districts, no more
22 than 27% of the total amount of property tax
23 increment revenue produced by those housing units
24 that have received tax increment finance
25 assistance under this Act; and

26 (iii) for secondary school districts, no more

1 than 13% of the total amount of property tax
2 increment revenue produced by those housing units
3 that have received tax increment finance
4 assistance under this Act.

5 (C) For any school district in a municipality with
6 a population in excess of 1,000,000, the following
7 restrictions shall apply to the reimbursement of
8 increased costs under this paragraph (7.5):

9 (i) no increased costs shall be reimbursed
10 unless the school district certifies that each of
11 the schools affected by the assisted housing
12 project is at or over its student capacity;

13 (ii) the amount reimbursable shall be reduced
14 by the value of any land donated to the school
15 district by the municipality or developer, and by
16 the value of any physical improvements made to the
17 schools by the municipality or developer; and

18 (iii) the amount reimbursed may not affect
19 amounts otherwise obligated by the terms of any
20 bonds, notes, or other funding instruments, or the
21 terms of any redevelopment agreement.

22 Any school district seeking payment under this
23 paragraph (7.5) shall, after July 1 and before
24 September 30 of each year, provide the municipality
25 with reasonable evidence to support its claim for
26 reimbursement before the municipality shall be

1 required to approve or make the payment to the school
2 district. If the school district fails to provide the
3 information during this period in any year, it shall
4 forfeit any claim to reimbursement for that year.
5 School districts may adopt a resolution waiving the
6 right to all or a portion of the reimbursement
7 otherwise required by this paragraph (7.5). By
8 acceptance of this reimbursement the school district
9 waives the right to directly or indirectly set aside,
10 modify, or contest in any manner the establishment of
11 the redevelopment project area or projects;

12 (7.7) For redevelopment project areas designated (or
13 redevelopment project areas amended to add or increase the
14 number of tax-increment-financing assisted housing units)
15 on or after January 1, 2005 (the effective date of Public
16 Act 93-961), a public library district's increased costs
17 attributable to assisted housing units located within the
18 redevelopment project area for which the developer or
19 redeveloper receives financial assistance through an
20 agreement with the municipality or because the
21 municipality incurs the cost of necessary infrastructure
22 improvements within the boundaries of the assisted housing
23 sites necessary for the completion of that housing as
24 authorized by this Act shall be paid to the library
25 district by the municipality from the Special Tax
26 Allocation Fund when the tax increment revenue is received

1 as a result of the assisted housing units. This paragraph
2 (7.7) applies only if (i) the library district is located
3 in a county that is subject to the Property Tax Extension
4 Limitation Law or (ii) the library district is not located
5 in a county that is subject to the Property Tax Extension
6 Limitation Law but the district is prohibited by any other
7 law from increasing its tax levy rate without a prior
8 voter referendum.

9 The amount paid to a library district under this
10 paragraph (7.7) shall be calculated by multiplying (i) the
11 net increase in the number of persons eligible to obtain a
12 library card in that district who reside in housing units
13 within the redevelopment project area that have received
14 financial assistance through an agreement with the
15 municipality or because the municipality incurs the cost
16 of necessary infrastructure improvements within the
17 boundaries of the housing sites necessary for the
18 completion of that housing as authorized by this Act since
19 the designation of the redevelopment project area by (ii)
20 the per-patron cost of providing library services so long
21 as it does not exceed \$120. The per-patron cost shall be
22 the Total Operating Expenditures Per Capita for the
23 library in the previous fiscal year. The municipality may
24 deduct from the amount that it must pay to a library
25 district under this paragraph any amount that it has
26 voluntarily paid to the library district from the tax

1 increment revenue. The amount paid to a library district
2 under this paragraph (7.7) shall be no more than 2% of the
3 amount produced by the assisted housing units and
4 deposited into the Special Tax Allocation Fund.

5 A library district is not eligible for any payment
6 under this paragraph (7.7) unless the library district has
7 experienced an increase in the number of patrons from the
8 municipality that created the tax-increment-financing
9 district since the designation of the redevelopment
10 project area.

11 Any library district seeking payment under this
12 paragraph (7.7) shall, after July 1 and before September
13 30 of each year, provide the municipality with convincing
14 evidence to support its claim for reimbursement before the
15 municipality shall be required to approve or make the
16 payment to the library district. If the library district
17 fails to provide the information during this period in any
18 year, it shall forfeit any claim to reimbursement for that
19 year. Library districts may adopt a resolution waiving the
20 right to all or a portion of the reimbursement otherwise
21 required by this paragraph (7.7). By acceptance of such
22 reimbursement, the library district shall forfeit any
23 right to directly or indirectly set aside, modify, or
24 contest in any manner whatsoever the establishment of the
25 redevelopment project area or projects;

26 (8) Relocation costs to the extent that a municipality

1 determines that relocation costs shall be paid or is
2 required to make payment of relocation costs by federal or
3 State law or in order to satisfy subparagraph (7) of
4 subsection (n);

5 (9) Payment in lieu of taxes;

6 (10) Costs of job training, retraining, advanced
7 vocational education or career education, including but
8 not limited to courses in occupational, semi-technical or
9 technical fields leading directly to employment, incurred
10 by one or more taxing districts, provided that such costs
11 (i) are related to the establishment and maintenance of
12 additional job training, advanced vocational education or
13 career education programs for persons employed or to be
14 employed by employers located in a redevelopment project
15 area; and (ii) when incurred by a taxing district or
16 taxing districts other than the municipality, are set
17 forth in a written agreement by or among the municipality
18 and the taxing district or taxing districts, which
19 agreement describes the program to be undertaken,
20 including but not limited to the number of employees to be
21 trained, a description of the training and services to be
22 provided, the number and type of positions available or to
23 be available, itemized costs of the program and sources of
24 funds to pay for the same, and the term of the agreement.
25 Such costs include, specifically, the payment by community
26 college districts of costs pursuant to Sections 3-37,

1 3-38, 3-40 and 3-40.1 of the Public Community College Act
2 and by school districts of costs pursuant to Sections
3 10-22.20a and 10-23.3a of the School Code;

4 (11) Interest cost incurred by a redeveloper related
5 to the construction, renovation or rehabilitation of a
6 redevelopment project provided that:

7 (A) such costs are to be paid directly from the
8 special tax allocation fund established pursuant to
9 this Act;

10 (B) such payments in any one year may not exceed
11 30% of the annual interest costs incurred by the
12 redeveloper with regard to the redevelopment project
13 during that year;

14 (C) if there are not sufficient funds available in
15 the special tax allocation fund to make the payment
16 pursuant to this paragraph (11) then the amounts so
17 due shall accrue and be payable when sufficient funds
18 are available in the special tax allocation fund;

19 (D) the total of such interest payments paid
20 pursuant to this Act may not exceed 30% of the total
21 (i) cost paid or incurred by the redeveloper for the
22 redevelopment project plus (ii) redevelopment project
23 costs excluding any property assembly costs and any
24 relocation costs incurred by a municipality pursuant
25 to this Act;

26 (E) the cost limits set forth in subparagraphs (B)

1 and (D) of paragraph (11) shall be modified for the
2 financing of rehabilitated or new housing units for
3 low-income households and very low-income households,
4 as defined in Section 3 of the Illinois Affordable
5 Housing Act. The percentage of 75% shall be
6 substituted for 30% in subparagraphs (B) and (D) of
7 paragraph (11); and

8 (F) instead of the eligible costs provided by
9 subparagraphs (B) and (D) of paragraph (11), as
10 modified by this subparagraph, and notwithstanding any
11 other provisions of this Act to the contrary, the
12 municipality may pay from tax increment revenues up to
13 50% of the cost of construction of new housing units to
14 be occupied by low-income households and very
15 low-income households as defined in Section 3 of the
16 Illinois Affordable Housing Act. The cost of
17 construction of those units may be derived from the
18 proceeds of bonds issued by the municipality under
19 this Act or other constitutional or statutory
20 authority or from other sources of municipal revenue
21 that may be reimbursed from tax increment revenues or
22 the proceeds of bonds issued to finance the
23 construction of that housing.

24 The eligible costs provided under this
25 subparagraph (F) of paragraph (11) shall be an
26 eligible cost for the construction, renovation, and

1 rehabilitation of all low and very low-income housing
2 units, as defined in Section 3 of the Illinois
3 Affordable Housing Act, within the redevelopment
4 project area. If the low and very low-income units are
5 part of a residential redevelopment project that
6 includes units not affordable to low and very
7 low-income households, only the low and very
8 low-income units shall be eligible for benefits under
9 this subparagraph (F) of paragraph (11). The standards
10 for maintaining the occupancy by low-income households
11 and very low-income households, as defined in Section
12 3 of the Illinois Affordable Housing Act, of those
13 units constructed with eligible costs made available
14 under the provisions of this subparagraph (F) of
15 paragraph (11) shall be established by guidelines
16 adopted by the municipality. The responsibility for
17 annually documenting the initial occupancy of the
18 units by low-income households and very low-income
19 households, as defined in Section 3 of the Illinois
20 Affordable Housing Act, shall be that of the then
21 current owner of the property. For ownership units,
22 the guidelines will provide, at a minimum, for a
23 reasonable recapture of funds, or other appropriate
24 methods designed to preserve the original
25 affordability of the ownership units. For rental
26 units, the guidelines will provide, at a minimum, for

1 the affordability of rent to low and very low-income
2 households. As units become available, they shall be
3 rented to income-eligible tenants. The municipality
4 may modify these guidelines from time to time; the
5 guidelines, however, shall be in effect for as long as
6 tax increment revenue is being used to pay for costs
7 associated with the units or for the retirement of
8 bonds issued to finance the units or for the life of
9 the redevelopment project area, whichever is later;

10 (11.5) If the redevelopment project area is located
11 within a municipality with a population of more than
12 100,000, the cost of day care services for children of
13 employees from low-income families working for businesses
14 located within the redevelopment project area and all or a
15 portion of the cost of operation of day care centers
16 established by redevelopment project area businesses to
17 serve employees from low-income families working in
18 businesses located in the redevelopment project area. For
19 the purposes of this paragraph, "low-income families"
20 means families whose annual income does not exceed 80% of
21 the municipal, county, or regional median income, adjusted
22 for family size, as the annual income and municipal,
23 county, or regional median income are determined from time
24 to time by the United States Department of Housing and
25 Urban Development.

26 (12) Costs relating to the development of urban

1 agricultural areas under Division 15.2 of the Illinois
2 Municipal Code.

3 (13) Costs relating to the construction or
4 rehabilitation of residential development housing units,
5 including the costs to offset infrastructure costs
6 necessary to enable housing developments and the costs to
7 promote the redevelopment of areas where market conditions
8 would not otherwise support residential investment.

9 Unless explicitly stated herein the cost of construction
10 of new privately owned buildings shall not be an eligible
11 redevelopment project cost.

12 After November 1, 1999 (the effective date of Public Act
13 91-478), none of the redevelopment project costs enumerated in
14 this subsection shall be eligible redevelopment project costs
15 if those costs would provide direct financial support to a
16 retail entity initiating operations in the redevelopment
17 project area while terminating operations at another Illinois
18 location within 10 miles of the redevelopment project area but
19 outside the boundaries of the redevelopment project area
20 municipality. For purposes of this paragraph, termination
21 means a closing of a retail operation that is directly related
22 to the opening of the same operation or like retail entity
23 owned or operated by more than 50% of the original ownership in
24 a redevelopment project area, but it does not mean closing an
25 operation for reasons beyond the control of the retail entity,
26 as documented by the retail entity, subject to a reasonable

1 finding by the municipality that the current location
2 contained inadequate space, had become economically obsolete,
3 or was no longer a viable location for the retailer or
4 serviceman.

5 No cost shall be a redevelopment project cost in a
6 redevelopment project area if used to demolish, remove, or
7 substantially modify a historic resource, after August 26,
8 2008 (the effective date of Public Act 95-934), unless no
9 prudent and feasible alternative exists. "Historic resource"
10 for the purpose of this paragraph means (i) a place or
11 structure that is included or eligible for inclusion on the
12 National Register of Historic Places or (ii) a contributing
13 structure in a district on the National Register of Historic
14 Places. This paragraph does not apply to a place or structure
15 for which demolition, removal, or modification is subject to
16 review by the preservation agency of a Certified Local
17 Government designated as such by the National Park Service of
18 the United States Department of the Interior.

19 If a special service area has been established pursuant to
20 the Special Service Area Tax Act or Special Service Area Tax
21 Law, then any tax increment revenues derived from the tax
22 imposed pursuant to the Special Service Area Tax Act or
23 Special Service Area Tax Law may be used within the
24 redevelopment project area for the purposes permitted by that
25 Act or Law as well as the purposes permitted by this Act.

26 (q-1) For redevelopment project areas created pursuant to

1 subsection (p-1), redevelopment project costs are limited to
2 those costs in paragraph (q) that are related to the existing
3 or proposed Northern Illinois Transit Authority Suburban
4 Transit Access Route (STAR Line) station.

5 (q-2) For a transit facility improvement area established
6 prior to, on, or after the effective date of this amendatory
7 Act of the 102nd General Assembly: (i) "redevelopment project
8 costs" means those costs described in subsection (q) that are
9 related to the construction, reconstruction, rehabilitation,
10 remodeling, or repair of any existing or proposed transit
11 facility, whether that facility is located within or outside
12 the boundaries of a redevelopment project area established
13 within that transit facility improvement area (and, to the
14 extent a redevelopment project cost is described in subsection
15 (q) as incurred or estimated to be incurred with respect to a
16 redevelopment project area, then it shall apply with respect
17 to such transit facility improvement area); and (ii) the
18 provisions of Section 11-74.4-8 regarding tax increment
19 allocation financing for a redevelopment project area located
20 in a transit facility improvement area shall apply only to the
21 lots, blocks, tracts and parcels of real property that are
22 located within the boundaries of that redevelopment project
23 area and not to the lots, blocks, tracts, and parcels of real
24 property that are located outside the boundaries of that
25 redevelopment project area.

26 (r) "State Sales Tax Boundary" means the redevelopment

1 project area or the amended redevelopment project area
2 boundaries which are determined pursuant to subsection (9) of
3 Section 11-74.4-8a of this Act. The Department of Revenue
4 shall certify pursuant to subsection (9) of Section 11-74.4-8a
5 the appropriate boundaries eligible for the determination of
6 State Sales Tax Increment.

7 (s) "State Sales Tax Increment" means an amount equal to
8 the increase in the aggregate amount of taxes paid by
9 retailers and servicemen, other than retailers and servicemen
10 subject to the Public Utilities Act, on transactions at places
11 of business located within a State Sales Tax Boundary pursuant
12 to the Retailers' Occupation Tax Act, the Use Tax Act, the
13 Service Use Tax Act, and the Service Occupation Tax Act,
14 except such portion of such increase that is paid into the
15 State and Local Sales Tax Reform Fund, the Local Government
16 Distributive Fund, the Local Government Tax Fund and the
17 County and Mass Transit District Fund, for as long as State
18 participation exists, over and above the Initial Sales Tax
19 Amounts, Adjusted Initial Sales Tax Amounts or the Revised
20 Initial Sales Tax Amounts for such taxes as certified by the
21 Department of Revenue and paid under those Acts by retailers
22 and servicemen on transactions at places of business located
23 within the State Sales Tax Boundary during the base year which
24 shall be the calendar year immediately prior to the year in
25 which the municipality adopted tax increment allocation
26 financing, less 3.0% of such amounts generated under the

1 Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax
2 Act and the Service Occupation Tax Act, which sum shall be
3 appropriated to the Department of Revenue to cover its costs
4 of administering and enforcing this Section. For purposes of
5 computing the aggregate amount of such taxes for base years
6 occurring prior to 1985, the Department of Revenue shall
7 compute the Initial Sales Tax Amount for such taxes and deduct
8 therefrom an amount equal to 4% of the aggregate amount of
9 taxes per year for each year the base year is prior to 1985,
10 but not to exceed a total deduction of 12%. The amount so
11 determined shall be known as the "Adjusted Initial Sales Tax
12 Amount". For purposes of determining the State Sales Tax
13 Increment the Department of Revenue shall for each period
14 subtract from the tax amounts received from retailers and
15 servicemen on transactions located in the State Sales Tax
16 Boundary, the certified Initial Sales Tax Amounts, Adjusted
17 Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts
18 for the Retailers' Occupation Tax Act, the Use Tax Act, the
19 Service Use Tax Act and the Service Occupation Tax Act. For the
20 State Fiscal Year 1989 this calculation shall be made by
21 utilizing the calendar year 1987 to determine the tax amounts
22 received. For the State Fiscal Year 1990, this calculation
23 shall be made by utilizing the period from January 1, 1988,
24 until September 30, 1988, to determine the tax amounts
25 received from retailers and servicemen, which shall have
26 deducted therefrom nine-twelfths of the certified Initial

1 Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the
2 Revised Initial Sales Tax Amounts as appropriate. For the
3 State Fiscal Year 1991, this calculation shall be made by
4 utilizing the period from October 1, 1988, until June 30,
5 1989, to determine the tax amounts received from retailers and
6 servicemen, which shall have deducted therefrom nine-twelfths
7 of the certified Initial State Sales Tax Amounts, Adjusted
8 Initial Sales Tax Amounts or the Revised Initial Sales Tax
9 Amounts as appropriate. For every State Fiscal Year
10 thereafter, the applicable period shall be the 12 months
11 beginning July 1 and ending on June 30, to determine the tax
12 amounts received which shall have deducted therefrom the
13 certified Initial Sales Tax Amounts, Adjusted Initial Sales
14 Tax Amounts or the Revised Initial Sales Tax Amounts.
15 Municipalities intending to receive a distribution of State
16 Sales Tax Increment must report a list of retailers to the
17 Department of Revenue by October 31, 1988 and by July 31, of
18 each year thereafter.

19 (t) "Taxing districts" means counties, townships, cities
20 and incorporated towns and villages, school, road, park,
21 sanitary, mosquito abatement, forest preserve, public health,
22 fire protection, river conservancy, tuberculosis sanitarium
23 and any other municipal corporations or districts with the
24 power to levy taxes.

25 (u) "Taxing districts' capital costs" means those costs of
26 taxing districts for capital improvements that are found by

1 the municipal corporate authorities to be necessary and
2 directly result from the redevelopment project.

3 (v) As used in subsection (a) of Section 11-74.4-3 of this
4 Act, "vacant land" means any parcel or combination of parcels
5 of real property without industrial, commercial, and
6 residential buildings which has not been used for commercial
7 agricultural purposes within 5 years prior to the designation
8 of the redevelopment project area, unless the parcel is
9 included in an industrial park conservation area or the parcel
10 has been subdivided; provided that if the parcel was part of a
11 larger tract that has been divided into 3 or more smaller
12 tracts that were accepted for recording during the period from
13 1950 to 1990, then the parcel shall be deemed to have been
14 subdivided, and all proceedings and actions of the
15 municipality taken in that connection with respect to any
16 previously approved or designated redevelopment project area
17 or amended redevelopment project area are hereby validated and
18 hereby declared to be legally sufficient for all purposes of
19 this Act. For purposes of this Section and only for land
20 subject to the subdivision requirements of the Plat Act, land
21 is subdivided when the original plat of the proposed
22 Redevelopment Project Area or relevant portion thereof has
23 been properly certified, acknowledged, approved, and recorded
24 or filed in accordance with the Plat Act and a preliminary
25 plat, if any, for any subsequent phases of the proposed
26 Redevelopment Project Area or relevant portion thereof has

1 been properly approved and filed in accordance with the
2 applicable ordinance of the municipality.

3 (w) "Annual Total Increment" means the sum of each
4 municipality's annual Net Sales Tax Increment and each
5 municipality's annual Net Utility Tax Increment. The ratio of
6 the Annual Total Increment of each municipality to the Annual
7 Total Increment for all municipalities, as most recently
8 calculated by the Department, shall determine the proportional
9 shares of the Illinois Tax Increment Fund to be distributed to
10 each municipality.

11 (x) "LEED certified" means any certification level of
12 construction elements by a qualified Leadership in Energy and
13 Environmental Design Accredited Professional as determined by
14 the U.S. Green Building Council.

15 (y) "Green Globes certified" means any certification level
16 of construction elements by a qualified Green Globes
17 Professional as determined by the Green Building Initiative.

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

19 Section 80. The Real Estate License Act of 2000 is amended
20 by changing Section 10-5 as follows:

21 (225 ILCS 454/10-5)

22 (Section scheduled to be repealed on January 1, 2030)

23 Sec. 10-5. Payment of compensation.

24 (a) No licensee shall pay compensation directly to a

1 licensee sponsored by another sponsoring broker for the
2 performance of licensed activities. No licensee sponsored by a
3 broker may pay compensation to any licensee other than his or
4 her sponsoring broker for the performance of licensed
5 activities unless the licensee paying the compensation is a
6 principal to the transaction. However, a non-sponsoring broker
7 may pay compensation directly to a licensee sponsored by
8 another or a person who is not sponsored by a broker if the
9 payments are made pursuant to terms of an employment agreement
10 that was previously in place between a licensee and the
11 non-sponsoring broker, and the payments are for licensed
12 activity performed by that person while previously sponsored
13 by the now non-sponsoring broker.

14 (b) No licensee sponsored by a broker shall accept
15 compensation for the performance of activities under this Act
16 except from the broker by whom the licensee is sponsored,
17 except as provided in this Section.

18 (c) (Blank).

19 (d) One sponsoring broker may pay compensation directly to
20 another sponsoring broker for the performance of licensed
21 activities.

22 (e) Notwithstanding any other provision of this Act, a
23 sponsoring broker may pay compensation to a person currently
24 licensed under the Auction License Act who is in compliance
25 with and providing services under Section 5-32 of this Act.

26 (f) To protect consumers from excessive housing

1 transaction costs in an effort to provide affordable housing,
2 the total aggregate commission charged in a residential real
3 estate transaction, whether payable by the buyer, seller, or
4 another party, is limited to a maximum 3% of the final sale
5 price, regardless of the number of agents or parties involved.
6 Any agreement or contract provision that attempts to waive or
7 circumvent this limitation is void as against public policy.
8 Any person injured or aggrieved by a violation of this
9 subsection may bring civil action against any person or entity
10 that directly or indirectly charged, received, or retained a
11 commission in excess of the limitations established under this
12 subsection, including, but not limited to, licensed real
13 estate brokers, managing brokers and brokerage firms. A
14 prevailing plaintiff may recover:

15 (1) actual damages;

16 (2) statutory damages of not less than 3 times the
17 amount unlawfully charged;

18 (3) punitive damages if appropriate under Illinois
19 law; and

20 (4) reasonable attorney's fees and costs.

21 (Source: P.A. 101-357, eff. 8-9-19.)

22 Section 85. The Common Interest Community Association Act
23 is amended by adding Section 1-95 as follows:

24 (765 ILCS 160/1-95 new)

1 Sec. 1-95. Middle housing and fee limitations.

2 (a) As used in this Section:

3 "Accessory dwelling unit" means a residential living unit
4 that is located on a lot containing a single-family dwelling,
5 that provides independent living facilities for one or more
6 persons, including provisions for sleeping, eating, cooking,
7 and sanitation, on the same parcel of land as the principal
8 dwelling unit it accompanies, and that is either separated
9 from or attached to the primary dwelling unit.

10 "Area median income" means the median family income for
11 the area, as determined by the United States Department of
12 Housing and Urban Development, with adjustments for family
13 size.

14 "Middle housing" means small-scale, multiunit residential
15 housing types that are compatible with single-family
16 neighborhoods and accessible to households earning between 80%
17 and 140% of the area median income. "Middle housing" includes
18 duplexes, triplexes, fourplexes, and accessory dwelling units.

19 "Person" means any natural individual, firm, trust,
20 estate, partnership, association, joint-stock company, joint
21 venture, corporation, limited liability company, or a
22 receiver, trustee, guardian, or other representative appointed
23 by order of any court, the federal and State governments,
24 including State universities created by statute or any unit of
25 local government or other political subdivision of this State.

26 (b) A common interest community association may not

1 unreasonably prohibit or restrict the construction or use of
2 an accessory dwelling unit or other middle housing authorized
3 under applicable law unless necessary to comply with
4 applicable building, fire, health, or safety codes, protect
5 structural integrity, or comply with other applicable law or
6 local ordinances.

7 (c) An association, board, manager, management company, or
8 other governing entity subject to this Act must comply with
9 the provisions limiting total upfront rental costs as provided
10 in the Landlord and Tenant Act with respect to fees, deposits,
11 charges, and other costs imposed as a condition of occupancy,
12 lease approval, tenancy, or transfer of possession of a
13 residential unit.

14 (d) Any provision of a declaration, bylaw, rule,
15 regulation, lease, or other governing document that conflicts
16 with this Section is void as against public policy.

17 Section 90. The Homeowners' Energy Policy Statement Act is
18 amended by adding Section 50 as follows:

19 (765 ILCS 165/50 new)

20 Sec. 50. Ensuring housing affordability.

21 (a) Nothing in this Act limits authority expressly granted
22 to a county under subsection (j) of Section 5-12025 of the
23 Counties Code to regulate or prohibit a solar energy system or
24 energy storage system through a documented planning process

1 consistent with other applicable law.

2 (b) Nothing in this Act limits authority expressly granted
3 to a municipality under subsection (j) of Section 11-13-30 of
4 the Illinois Municipal Code to regulate or prohibit a solar
5 energy system or energy storage system through a documented
6 planning process consistent with other applicable law.

7 Section 95. The Condominium Property Act is amended by
8 adding Section 40 as follows:

9 (765 ILCS 605/40 new)

10 Sec. 40. Middle housing and fee limitations.

11 (a) As used in this Section:

12 "Accessory dwelling unit" means a residential living unit
13 that is located on a lot containing a single-family dwelling,
14 that provides independent living facilities for one or more
15 persons, including provisions for sleeping, eating, cooking,
16 and sanitation, on the same parcel of land as the principal
17 dwelling unit it accompanies, and that is either separated
18 from or attached to the primary dwelling unit.

19 "Area median income" means the median family income for
20 the area, as determined by the United States Department of
21 Housing and Urban Development, with adjustments for family
22 size.

23 "Middle housing" means small-scale, multiunit residential
24 housing types that are compatible with single-family

1 neighborhoods and accessible to households earning between 80%
2 and 140% of the area median income. "Middle housing" includes
3 duplexes, triplexes, fourplexes, and accessory dwelling units.

4 "Person" means any natural individual, firm, trust,
5 estate, partnership, association, joint-stock company, joint
6 venture, corporation, limited liability company, or a
7 receiver, trustee, guardian, or other representative appointed
8 by order of any court, the federal and State governments,
9 including State universities created by statute or any unit of
10 local government or other political subdivision of this State.

11 (b) A condominium association may not unreasonably
12 prohibit or restrict the construction or use of an accessory
13 dwelling unit or other middle housing authorized under
14 applicable law unless necessary to comply with applicable
15 building, fire, health, or safety codes, protect structural
16 integrity, or comply with other applicable law or local
17 ordinances.

18 (c) A condominium association, unit owners' association,
19 property management company, or other governing entity subject
20 to this Act must comply with the provisions limiting total
21 upfront rental costs as provided in the Landlord and Tenant
22 Act with respect to fees, deposits, charges, and other costs
23 imposed as a condition of occupancy, lease approval, tenancy,
24 or transfer of possession of a residential unit.

25 (d) Any provision of a declaration, bylaw, rule,
26 regulation, lease, or other governing document that conflicts

1 with this Section is void as against public policy.

2 Section 100. The Landlord and Tenant Act is amended by
3 changing Section 30 and adding Section 35 as follows:

4 (765 ILCS 705/30)

5 Sec. 30. Reusable tenant screening report.

6 (a) Definitions. In this Section:

7 "Application screening fee" means a request by a landlord
8 for a fee to cover the costs of obtaining information about a
9 prospective tenant.

10 "Consumer report" has the same meaning as defined in
11 Section 1681a of Title 15 of the United States Code.

12 "Consumer credit reporting agency" means a person which,
13 for monetary fees, dues, or on a cooperative nonprofit basis,
14 regularly engages in whole or in part in the practice of
15 assembling or evaluating consumer credit information or other
16 information on consumers for the purpose of furnishing
17 consumer reports to third parties and that uses any means or
18 facility of interstate commerce for the purpose of preparing
19 or furnishing consumer reports.

20 "Reusable tenant screening report" means a written report,
21 prepared by a consumer credit reporting agency, that
22 prominently states the date through which the information
23 contained in the report is current and includes, but is not
24 limited to, all of the following information regarding a

1 prospective tenant:

2 (A) the name of the prospective tenant;

3 (B) the contact information for the prospective
4 tenant;

5 (C) a verification of source of income of the
6 prospective tenant;

7 (D) the last known address of the prospective
8 tenant; and

9 (E) the results of an eviction history check of
10 the prospective tenant in a manner and for a period of
11 time consistent with applicable law related to the
12 consideration of eviction history in housing.

13 (b) Providing a reusable tenant screening report.

14 (1) If a prospective tenant provides a reusable tenant
15 screening report that meets the following criteria, the
16 landlord may not charge the prospective tenant a fee to
17 access the report or an application screening fee. Those
18 criteria include the following:

19 (A) the report was prepared within the previous 30
20 days by a consumer credit reporting agency at the
21 request and expense of a prospective tenant;

22 (B) the report is made directly available to a
23 landlord for use in the rental application process or
24 is provided through a third-party website that
25 regularly engages in the business of providing a
26 reusable tenant screening report and complies with all

1 State and federal laws pertaining to use and
2 disclosure of information contained in a consumer
3 report by a consumer credit reporting agency;

4 (C) the report is available to the landlord at no
5 cost to access or use; and

6 (D) the report includes all of the criteria
7 consistently being used by the landlord in the
8 screening of prospective tenants.

9 (2) A landlord may require an applicant to state that
10 there has not been a material change to the information in
11 the reusable tenant screening report.

12 (3) Before requiring payment of an application fee, a
13 landlord must first notify a prospective tenant in writing
14 of the landlord's screening criteria and whether the
15 landlord accepts a reusable tenant screening report. If a
16 prospective tenant provides a reusable tenant screening
17 report that is available to the landlord at no cost to the
18 landlord and is not more than 30 days old, the landlord may
19 not charge an application fee or other screening-related
20 charge. Application fees charged by a landlord to a tenant
21 for a residential unit may not exceed actual screening
22 costs incurred by the landlord. A landlord may not charge
23 an application fee for a residential unit more than once
24 per applicant within a lease, rental, or occupancy period
25 for substantially similar units under the same ownership
26 or management. A landlord may not charge multiple or

1 duplicative fees to a single applicant for substantially
2 similar purposes, including but not limited to
3 application, administrative, processing or screening fees,
4 whether labeled differently or charged separately. A
5 landlord who violates this paragraph (3) may be liable to
6 the aggrieved tenant or prospective tenant for full
7 repayment of excess charges; statutory damages of not less
8 than 3 times the amount unlawfully charged, punitive
9 damages if appropriate under Illinois law; and reasonable
10 attorney's fees and costs. Any provision of a lease or
11 other agreement that waives the protections of this
12 paragraph (3) shall be void as against public policy. This
13 paragraph (3) shall not be enforced by units of local
14 government unless otherwise authorized by law.

15 (c) If an ordinance, resolution, regulation,
16 administrative action, initiative, or other policy adopted by
17 a unit of local government or county conflicts with this Act,
18 the policy that provides greater protections to prospective
19 tenants applies.

20 (d) Nothing in this Section prohibits a landlord from
21 collecting and processing an application in addition to the
22 report provided, as long as the prospective tenant is not
23 charged an application screening fee for this additional
24 report.

25 (Source: P.A. 103-840, eff. 1-1-25; 104-417, eff. 8-15-25.)

1 (765 ILCS 705/35 new)

2 Sec. 35. Limitation on total upfront rental costs.

3 (a) As used in this Section, "total upfront rental costs"
4 means all fees, charges, or costs imposed on tenants of a
5 residential unit, including requirements for security
6 deposits, damage deposits, move-in fees, move-out fees, and
7 any other unilateral upfront charges excluding the first
8 month's rent.

9 (b) The total upfront rental costs charged by any landlord
10 for a residential unit may not exceed one month's rent under
11 the initial term of the lease or other agreement between the
12 landlord and the tenant of the residential unit.

13 (c) A landlord who violates this Section may be liable to
14 the aggrieved tenant or prospective tenant for full repayment
15 of excess charges; statutory damages of not less than 3 times
16 the amount unlawfully charged; punitive damages if appropriate
17 under Illinois law; and reasonable attorney's fees and costs.

18 (d) Any provision of a lease or other agreement that
19 waives the protections of this Section shall be void as
20 against public policy.

21 (e) This Section shall not be enforced by units of local
22 government unless otherwise authorized by law.

23 Section 105. The Security Deposit Interest Act is amended
24 by adding Section 4 as follows:

1 (765 ILCS 715/4 new)

2 Sec. 4. Limiting total upfront rental costs. A lessor
3 under this Act must comply with provisions limiting total
4 upfront rental costs as provided in the Landlord and Tenant
5 Act. Nothing in this Act authorizes a lessor to collect
6 deposits, fees, or charges in excess of the amounts permitted
7 under the Landlord and Tenant Act.

8 Section 110. The Prevailing Wage Act is amended by
9 changing Section 2 as follows:

10 (820 ILCS 130/2)

11 Sec. 2. This Act applies to the wages of laborers,
12 mechanics, and other workers employed in any public works, as
13 hereinafter defined, by any public body and to anyone under
14 contracts for public works. This includes any maintenance,
15 repair, assembly, or disassembly work performed on equipment
16 whether owned, leased, or rented.

17 As used in this Act, unless the context indicates
18 otherwise:

19 "Public works" means all fixed works constructed or
20 demolished by any public body, or paid for wholly or in part
21 out of public funds. "Public works" as defined herein includes
22 all projects financed in whole or in part with bonds, grants,
23 loans, or other funds made available by or through the State or
24 any of its political subdivisions, including, but not limited

1 to: bonds issued under the Industrial Project Revenue Bond Act
2 (Article 11, Division 74 of the Illinois Municipal Code), the
3 Industrial Building Revenue Bond Act, the Illinois Finance
4 Authority Act, the Illinois Sports Facilities Authority Act,
5 or the Build Illinois Bond Act; loans or other funds made
6 available pursuant to the Build Illinois Act; loans or other
7 funds made available pursuant to the Riverfront Development
8 Fund under Section 10-15 of the River Edge Redevelopment Zone
9 Act; or funds from the Fund for Illinois' Future under Section
10 6z-47 of the State Finance Act, funds for school construction
11 under Section 5 of the General Obligation Bond Act, funds
12 authorized under Section 3 of the School Construction Bond
13 Act, funds for school infrastructure under Section 6z-45 of
14 the State Finance Act, and funds for transportation purposes
15 under Section 4 of the General Obligation Bond Act. "Public
16 works" also includes all federal construction projects
17 administered or controlled by a public body if the prevailing
18 rate of wages is equal to or greater than the prevailing wage
19 determination by the United States Secretary of Labor for the
20 same locality for the same type of construction used to
21 classify the federal construction project. "Public works" also
22 includes (i) all projects financed in whole or in part with
23 funds from the Environmental Protection Agency under the
24 Illinois Renewable Fuels Development Program Act for which
25 there is no project labor agreement; (ii) all work performed
26 pursuant to a public private agreement under the Public

1 Private Agreements for the Illiana Expressway Act or the
2 Public-Private Agreements for the South Suburban Airport Act;
3 (iii) all projects undertaken under a public-private agreement
4 under the Public-Private Partnerships for Transportation Act
5 or the Department of Natural Resources World Shooting and
6 Recreational Complex Act; and (iv) all transportation
7 facilities undertaken under a design-build contract or a
8 Construction Manager/General Contractor contract under the
9 Innovations for Transportation Infrastructure Act. "Public
10 works" also includes all projects at leased facility property
11 used for airport purposes under Section 35 of the Local
12 Government Facility Lease Act. "Public works" also includes
13 the construction of a new wind power facility by a business
14 designated as a High Impact Business under Section
15 5.5(a)(3)(E) of the Illinois Enterprise Zone Act, the
16 construction of a new utility-scale solar power facility by a
17 business designated as a High Impact Business under Section
18 5.5(a)(3)(E-5) of the Illinois Enterprise Zone Act, the
19 construction of a new battery energy storage solution facility
20 by a business designated as a High Impact Business under
21 Section 5.5(a)(3)(I) of the Illinois Enterprise Zone Act, and
22 the construction of a high voltage direct current converter
23 station by a business designated as a High Impact Business
24 under Section 5.5(a)(3)(J) of the Illinois Enterprise Zone
25 Act. "Public works" also includes electric vehicle charging
26 station projects financed pursuant to the Electric Vehicle Act

1 and renewable energy projects required to pay the prevailing
2 wage pursuant to the Illinois Power Agency Act. "Public works"
3 also includes power washing projects by a public body or paid
4 for wholly or in part out of public funds in which steam or
5 pressurized water, with or without added abrasives or
6 chemicals, is used to remove paint or other coatings, oils or
7 grease, corrosion, or debris from a surface or to prepare a
8 surface for a coating. "Public works" also includes all
9 electric transmission systems projects subject to the Electric
10 Transmission Systems Construction Standards Act. "Public
11 works" does not include work done directly by any public
12 utility company, whether or not done under public supervision
13 or direction, or paid for wholly or in part out of public
14 funds. "Public works" also includes construction projects
15 performed by a third party contracted by any public utility,
16 as described in subsection (a) of Section 2.1, in public
17 rights-of-way, as defined in Section 21-201 of the Public
18 Utilities Act, whether or not done under public supervision or
19 direction, or paid for wholly or in part out of public funds.
20 "Public works" also includes construction projects that exceed
21 15 aggregate miles of new fiber optic cable, performed by a
22 third party contracted by any public utility, as described in
23 subsection (b) of Section 2.1, in public rights-of-way, as
24 defined in Section 21-201 of the Public Utilities Act, whether
25 or not done under public supervision or direction, or paid for
26 wholly or in part out of public funds. "Public works" also

1 includes any corrective action performed pursuant to Title XVI
2 of the Environmental Protection Act for which payment from the
3 Underground Storage Tank Fund is requested. "Public works"
4 also includes all construction projects involving fixtures or
5 permanent attachments affixed to light poles that are owned by
6 a public body, including street light poles, traffic light
7 poles, and other lighting fixtures, whether or not done under
8 public supervision or direction, or paid for wholly or in part
9 out of public funds, unless the project is performed by
10 employees employed directly by the public body. "Public works"
11 also includes work performed subject to the Mechanical
12 Insulation Energy and Safety Assessment Act. "Public works"
13 also includes the removal, hauling, and transportation of
14 biosolids, lime sludge, and lime residue from a water
15 treatment plant or facility and the disposal of biosolids,
16 lime sludge, and lime residue removed from a water treatment
17 plant or facility at a landfill. "Public works" also includes
18 sewer inspection projects that use a closed-circuit television
19 to identify issues in a sewer system, such as cracks in pipes,
20 root intrusion, blockages, or other structural damage. "Public
21 works" also includes construction work performed on
22 residential developments receiving benefits under Section
23 605-1121 of the Department of Commerce and Economic
24 Opportunity Law of the Civil Administrative Code of Illinois.
25 "Public works" does not include projects undertaken by the
26 owner at an owner-occupied single-family residence or at an

1 owner-occupied unit of a multi-family residence. "Public
2 works" does not include work performed for soil and water
3 conservation purposes on agricultural lands, whether or not
4 done under public supervision or paid for wholly or in part out
5 of public funds, done directly by an owner or person who has
6 legal control of those lands.

7 "Construction" means all work on public works involving
8 laborers, workers or mechanics. This includes any maintenance,
9 repair, assembly, or disassembly work performed on equipment
10 whether owned, leased, or rented.

11 "Locality" means the county where the physical work upon
12 public works is performed, except (1) that if there is not
13 available in the county a sufficient number of competent
14 skilled laborers, workers and mechanics to construct the
15 public works efficiently and properly, "locality" includes any
16 other county nearest the one in which the work or construction
17 is to be performed and from which such persons may be obtained
18 in sufficient numbers to perform the work and (2) that, with
19 respect to contracts for highway work with the Department of
20 Transportation of this State, "locality" may at the discretion
21 of the Secretary of the Department of Transportation be
22 construed to include two or more adjacent counties from which
23 workers may be accessible for work on such construction.

24 "Public body" means the State or any officer, board or
25 commission of the State or any political subdivision or
26 department thereof, or any institution supported in whole or

1 in part by public funds, and includes every county, city,
2 town, village, township, school district, irrigation, utility,
3 reclamation improvement or other district and every other
4 political subdivision, district or municipality of the state
5 whether such political subdivision, municipality or district
6 operates under a special charter or not.

7 "Labor organization" means an organization that is the
8 exclusive representative of an employer's employees recognized
9 or certified pursuant to the National Labor Relations Act.

10 The terms "general prevailing rate of hourly wages",
11 "general prevailing rate of wages" or "prevailing rate of
12 wages" when used in this Act mean the hourly cash wages plus
13 full journeyman annualized fringe benefits for training and
14 apprenticeship programs registered with the Office of
15 Apprenticeship within the U.S. Department of Labor's
16 Employment and Training Administration with full journeymen
17 annualized fringe benefits for health and welfare, insurance,
18 vacations, and pensions paid generally, in the locality in
19 which the work is being performed, to employees engaged in
20 work of a similar character on public works.

21 (Source: P.A. 103-8, eff. 6-7-23; 103-327, eff. 1-1-24;
22 103-346, eff. 1-1-24; 103-359, eff. 7-28-23; 103-447, eff.
23 8-4-23; 103-605, eff. 7-1-24; 103-1066, eff. 2-20-25; 104-17,
24 eff. 7-1-26 (see Section 35-5 of P.A. 104-434 for effective
25 date of P.A. 104-17); 104-23, eff. 6-30-25; 104-160, eff.
26 8-14-25; revised 12-2-25.)

1 Section 995. No acceleration or delay. Where this Act
2 makes changes in a statute that is represented in this Act by
3 text that is not yet or no longer in effect (for example, a
4 Section represented by multiple versions), the use of that
5 text does not accelerate or delay the taking effect of (i) the
6 changes made by this Act or (ii) provisions derived from any
7 other Public Act.

8 Section 999. Effective date. This Act takes effect January
9 1, 2028.

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20 ILCS 1505/1505-230 new

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20 ILCS 2505/2505-810

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20 ILCS 2505/2505-817 new

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