



## 100TH GENERAL ASSEMBLY

### State of Illinois

### 2017 and 2018

### SB2221

Introduced 6/30/2017, by Sen. Martin A. Sandoval

#### SYNOPSIS AS INTRODUCED:

30 ILCS 105/6z-18	from Ch. 127, par. 142z-18
30 ILCS 105/6z-20	from Ch. 127, par. 142z-20
35 ILCS 120/2-12	
55 ILCS 5/5-1006	from Ch. 34, par. 5-1006
55 ILCS 5/5-1006.5	
55 ILCS 5/5-1006.7	
55 ILCS 5/5-1008.5	
65 ILCS 5/8-11-1	from Ch. 24, par. 8-11-1
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.6	
65 ILCS 5/11-74.3-6	
70 ILCS 200/245-12	
70 ILCS 750/25	
70 ILCS 1605/30	
70 ILCS 3610/5.01	from Ch. 111 2/3, par. 355.01
70 ILCS 3615/4.03	from Ch. 111 2/3, par. 704.03
70 ILCS 3720/4	from Ch. 111 2/3, par. 254

Amends the State Finance Act, the Retailers' Occupation Tax Act, the Counties Code, the Illinois Municipal Code, the Metro-East Park and Recreation District Act, the Local Mass Transit District Act, the Regional Transportation Authority Act, and the Water Commission Act of 1985. Provides that, for the purposes of local sales tax sourcing, a retail sale of fuel or petroleum products used by an aircraft shall be deemed to be a retail sale at the place where the fuel or petroleum products are delivered to the aircraft.

LRB100 13309 AWJ 27836 b

1 AN ACT concerning revenue.

2 WHEREAS, Illinois law provides low-income disabled  
3 individuals and senior citizens access to public transit at no  
4 cost; and

5 WHEREAS, Use of these services has increased dramatically  
6 in recent years, with over 29,600,000 rides provided in 2013;  
7 and

8 WHEREAS, Illinois provides funding to the Regional  
9 Transportation Authority to cover a portion of the cost of  
10 those rides; and

11 WHEREAS, The budget of the Regional Transportation  
12 Authority called for a State reimbursement for those rides of  
13 \$34,070,000 annually in each fiscal year from 2015 through  
14 2018; however, the State only budgeted \$17,570,000 in  
15 reimbursements for fiscal year 2015; and

16 WHEREAS, A budget gap of this size could threaten vital  
17 transportation services; and

18 WHEREAS, Airlines have engaged in controversial fuel  
19 purchasing practices that cost the Regional Transportation  
20 Authority an estimated \$18,500,000 in revenue in 2013, in  
21 addition to costing Cook County and the City of Chicago

1 combined \$34,200,000 in 2013; and

2 WHEREAS, It is the intent of the General Assembly to  
3 specify that, with respect to the imposition of any tax on fuel  
4 used by an aircraft, regardless of whether the tax is imposed  
5 on the sale, the business of selling, the purchase, or the use  
6 of those products, the location of the sale, business of  
7 selling, purchase, or use shall be deemed to be the place where  
8 the fuel is delivered to the aircraft; and

9 WHEREAS, The State of California enacted legislation to  
10 prevent airlines from using a similar practice in that state;  
11 and

12 WHEREAS, The Regional Transportation Authority is  
13 encouraged to use any additional revenue from this amendatory  
14 Act of the 100th General Assembly to fund no-cost transit  
15 services for low-income disabled individuals and senior  
16 citizens; therefore

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

19 Section 5. The State Finance Act is amended by changing  
20 Sections 6z-18 and 6z-20 as follows:

1 (30 ILCS 105/6z-18) (from Ch. 127, par. 142z-18)

2 Sec. 6z-18. A portion of the money paid into the Local  
3 Government Tax Fund from sales of food for human consumption  
4 which is to be consumed off the premises where it is sold  
5 (other than alcoholic beverages, soft drinks and food which has  
6 been prepared for immediate consumption) and prescription and  
7 nonprescription medicines, drugs, medical appliances and  
8 insulin, urine testing materials, syringes and needles used by  
9 diabetics, which occurred in municipalities, shall be  
10 distributed to each municipality based upon the sales which  
11 occurred in that municipality. The remainder shall be  
12 distributed to each county based upon the sales which occurred  
13 in the unincorporated area of that county.

14 A portion of the money paid into the Local Government Tax  
15 Fund from the 6.25% general use tax rate on the selling price  
16 of tangible personal property which is purchased outside  
17 Illinois at retail from a retailer and which is titled or  
18 registered by any agency of this State's government shall be  
19 distributed to municipalities as provided in this paragraph.  
20 Each municipality shall receive the amount attributable to  
21 sales for which Illinois addresses for titling or registration  
22 purposes are given as being in such municipality. The remainder  
23 of the money paid into the Local Government Tax Fund from such  
24 sales shall be distributed to counties. Each county shall  
25 receive the amount attributable to sales for which Illinois  
26 addresses for titling or registration purposes are given as

1 being located in the unincorporated area of such county.

2 A portion of the money paid into the Local Government Tax  
3 Fund from the 6.25% general rate (and, beginning July 1, 2000  
4 and through December 31, 2000, the 1.25% rate on motor fuel and  
5 gasohol, and beginning on August 6, 2010 through August 15,  
6 2010, the 1.25% rate on sales tax holiday items) on sales  
7 subject to taxation under the Retailers' Occupation Tax Act and  
8 the Service Occupation Tax Act, which occurred in  
9 municipalities, shall be distributed to each municipality,  
10 based upon the sales which occurred in that municipality. The  
11 remainder shall be distributed to each county, based upon the  
12 sales which occurred in the unincorporated area of such county.

13 For the purpose of determining allocation to the local  
14 government unit, a retail sale by a producer of coal or other  
15 mineral mined in Illinois is a sale at retail at the place  
16 where the coal or other mineral mined in Illinois is extracted  
17 from the earth. This paragraph does not apply to coal or other  
18 mineral when it is delivered or shipped by the seller to the  
19 purchaser at a point outside Illinois so that the sale is  
20 exempt under the United States Constitution as a sale in  
21 interstate or foreign commerce.

22 For the purpose of determining allocation to the local  
23 government unit, the location where a retailer is deemed to be  
24 engaged in the business of selling fuel used by an aircraft  
25 shall be deemed to be the place where the fuel is delivered to  
26 the aircraft. For the purposes of this paragraph, "fuel" has

1 the meaning given to that term in Section 1.19 of the Motor  
2 Fuel Tax Law.

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

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

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 disbursement of stated sums of money to named municipalities

1 and counties, the municipalities and counties to be those  
2 entitled to distribution of taxes or penalties paid to the  
3 Department during the second preceding calendar month. The  
4 amount to be paid to each municipality or county shall be the  
5 amount (not including credit memoranda) collected during the  
6 second preceding calendar month by the Department and paid into  
7 the Local Government Tax Fund, plus an amount the Department  
8 determines is necessary to offset any amounts which were  
9 erroneously paid to a different taxing body, and not including  
10 an amount equal to the amount of refunds made during the second  
11 preceding calendar month by the Department, and not including  
12 any amount which the Department determines is necessary to  
13 offset any amounts which are payable to a different taxing body  
14 but were erroneously paid to the municipality or county, and  
15 not including any amounts that are transferred to the STAR  
16 Bonds Revenue Fund. Within 10 days after receipt, by the  
17 Comptroller, of the disbursement certification to the  
18 municipalities and counties, provided for in this Section to be  
19 given to the Comptroller by the Department, the Comptroller  
20 shall cause the orders to be drawn for the respective amounts  
21 in accordance with the directions contained in such  
22 certification.

23 When certifying the amount of monthly disbursement to a  
24 municipality or county under this Section, the Department shall  
25 increase or decrease that amount by an amount necessary to  
26 offset any misallocation of previous disbursements. The offset

1 amount shall be the amount erroneously disbursed within the 6  
2 months preceding the time a misallocation is discovered.

3 The provisions directing the distributions from the  
4 special fund in the State Treasury provided for in this Section  
5 shall constitute an irrevocable and continuing appropriation  
6 of all amounts as provided herein. The State Treasurer and  
7 State Comptroller are hereby authorized to make distributions  
8 as provided in this Section.

9 In construing any development, redevelopment, annexation,  
10 preannexation or other lawful agreement in effect prior to  
11 September 1, 1990, which describes or refers to receipts from a  
12 county or municipal retailers' occupation tax, use tax or  
13 service occupation tax which now cannot be imposed, such  
14 description or reference shall be deemed to include the  
15 replacement revenue for such abolished taxes, distributed from  
16 the Local Government Tax Fund.

17 As soon as possible after the effective date of this  
18 amendatory Act of the 98th General Assembly, the State  
19 Comptroller shall order and the State Treasurer shall transfer  
20 \$6,600,000 from the Local Government Tax Fund to the Illinois  
21 State Medical Disciplinary Fund.

22 (Source: P.A. 97-333, eff. 8-12-11; 98-3, eff. 3-8-13.)

23 (30 ILCS 105/6z-20) (from Ch. 127, par. 142z-20)

24 Sec. 6z-20. Of the money received from the 6.25% general  
25 rate (and, beginning July 1, 2000 and through December 31,



1 2000, the 1.25% rate on motor fuel and gasohol, and beginning  
2 on August 6, 2010 through August 15, 2010, the 1.25% rate on  
3 sales tax holiday items) on sales subject to taxation under the  
4 Retailers' Occupation Tax Act and Service Occupation Tax Act  
5 and paid into the County and Mass Transit District Fund,  
6 distribution to the Regional Transportation Authority tax  
7 fund, created pursuant to Section 4.03 of the Regional  
8 Transportation Authority Act, for deposit therein shall be made  
9 based upon the retail sales occurring in a county having more  
10 than 3,000,000 inhabitants. The remainder shall be distributed  
11 to each county having 3,000,000 or fewer inhabitants based upon  
12 the retail sales occurring in each such county.

13 For the purpose of determining allocation to the local  
14 government unit, a retail sale by a producer of coal or other  
15 mineral mined in Illinois is a sale at retail at the place  
16 where the coal or other mineral mined in Illinois is extracted  
17 from the earth. This paragraph does not apply to coal or other  
18 mineral when it is delivered or shipped by the seller to the  
19 purchaser at a point outside Illinois so that the sale is  
20 exempt under the United States Constitution as a sale in  
21 interstate or foreign commerce.

22 For the purpose of determining allocation to the local  
23 government unit, the location where a retailer is deemed to be  
24 engaged in the business of selling fuel used by an aircraft  
25 shall be deemed to be the place where the fuel is delivered to  
26 the aircraft. For the purposes of this paragraph, "fuel" has

1 the meaning given to that term in Section 1.19 of the Motor  
2 Fuel Tax Law.

3 Of the money received from the 6.25% general use tax rate  
4 on tangible personal property which is purchased outside  
5 Illinois at retail from a retailer and which is titled or  
6 registered by any agency of this State's government and paid  
7 into the County and Mass Transit District Fund, the amount for  
8 which Illinois addresses for titling or registration purposes  
9 are given as being in each county having more than 3,000,000  
10 inhabitants shall be distributed into the Regional  
11 Transportation Authority tax fund, created pursuant to Section  
12 4.03 of the Regional Transportation Authority Act. The  
13 remainder of the money paid from such sales shall be  
14 distributed to each county based on sales for which Illinois  
15 addresses for titling or registration purposes are given as  
16 being located in the county. Any money paid into the Regional  
17 Transportation Authority Occupation and Use Tax Replacement  
18 Fund from the County and Mass Transit District Fund prior to  
19 January 14, 1991, which has not been paid to the Authority  
20 prior to that date, shall be transferred to the Regional  
21 Transportation Authority tax fund.

22 Whenever the Department determines that a refund of money  
23 paid into the County and Mass Transit District Fund should be  
24 made to a claimant instead of issuing a credit memorandum, the  
25 Department shall notify the State Comptroller, who shall cause  
26 the order to be drawn for the amount specified, and to the

1 person named, in such notification from the Department. Such  
2 refund shall be paid by the State Treasurer out of the County  
3 and Mass Transit District Fund.

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

17 After the monthly transfer to the STAR Bonds Revenue Fund,  
18 on or before the 25th day of each calendar month, the  
19 Department shall prepare and certify to the Comptroller the  
20 disbursement of stated sums of money to the Regional  
21 Transportation Authority and to named counties, the counties to  
22 be those entitled to distribution, as hereinabove provided, of  
23 taxes or penalties paid to the Department during the second  
24 preceding calendar month. The amount to be paid to the Regional  
25 Transportation Authority and each county having 3,000,000 or  
26 fewer inhabitants shall be the amount (not including credit

1 memoranda) collected during the second preceding calendar  
2 month by the Department and paid into the County and Mass  
3 Transit District Fund, plus an amount the Department determines  
4 is necessary to offset any amounts which were erroneously paid  
5 to a different taxing body, and not including an amount equal  
6 to the amount of refunds made during the second preceding  
7 calendar month by the Department, and not including any amount  
8 which the Department determines is necessary to offset any  
9 amounts which were payable to a different taxing body but were  
10 erroneously paid to the Regional Transportation Authority or  
11 county, and not including any amounts that are transferred to  
12 the STAR Bonds Revenue Fund. Within 10 days after receipt, by  
13 the Comptroller, of the disbursement certification to the  
14 Regional Transportation Authority and counties, provided for  
15 in this Section to be given to the Comptroller by the  
16 Department, the Comptroller shall cause the orders to be drawn  
17 for the respective amounts in accordance with the directions  
18 contained in such certification.

19 When certifying the amount of a monthly disbursement to the  
20 Regional Transportation Authority or to a county under this  
21 Section, the Department shall increase or decrease that amount  
22 by an amount necessary to offset any misallocation of previous  
23 disbursements. The offset amount shall be the amount  
24 erroneously disbursed within the 6 months preceding the time a  
25 misallocation is discovered.

26 The provisions directing the distributions from the

1 special fund in the State Treasury provided for in this Section  
2 and from the Regional Transportation Authority tax fund created  
3 by Section 4.03 of the Regional Transportation Authority Act  
4 shall constitute an irrevocable and continuing appropriation  
5 of all amounts as provided herein. The State Treasurer and  
6 State Comptroller are hereby authorized to make distributions  
7 as provided in this Section.

8 In construing any development, redevelopment, annexation,  
9 preannexation or other lawful agreement in effect prior to  
10 September 1, 1990, which describes or refers to receipts from a  
11 county or municipal retailers' occupation tax, use tax or  
12 service occupation tax which now cannot be imposed, such  
13 description or reference shall be deemed to include the  
14 replacement revenue for such abolished taxes, distributed from  
15 the County and Mass Transit District Fund or Local Government  
16 Distributive Fund, as the case may be.

17 (Source: P.A. 96-939, eff. 6-24-10; 96-1012, eff. 7-7-10;  
18 97-333, eff. 8-12-11.)

19 Section 10. The Retailers' Occupation Tax Act is amended by  
20 changing Section 2-12 as follows:

21 (35 ILCS 120/2-12)

22 Sec. 2-12. Location where retailer is deemed to be engaged  
23 in the business of selling. The purpose of this Section is to  
24 specify where a retailer is deemed to be engaged in the

1 business of selling tangible personal property for the purposes  
2 of this Act, the Use Tax Act, the Service Use Tax Act, and the  
3 Service Occupation Tax Act, and for the purpose of collecting  
4 any other local retailers' occupation tax administered by the  
5 Department. This Section applies only with respect to the  
6 particular selling activities described in the following  
7 paragraphs. The provisions of this Section are not intended to,  
8 and shall not be interpreted to, affect where a retailer is  
9 deemed to be engaged in the business of selling with respect to  
10 any activity that is not specifically described in the  
11 following paragraphs.

12 (1) If a purchaser who is present at the retailer's  
13 place of business, having no prior commitment to the  
14 retailer, agrees to purchase and makes payment for tangible  
15 personal property at the retailer's place of business, then  
16 the transaction shall be deemed an over-the-counter sale  
17 occurring at the retailer's same place of business where  
18 the purchaser was present and made payment for that  
19 tangible personal property if the retailer regularly  
20 stocks the purchased tangible personal property or similar  
21 tangible personal property in the quantity, or similar  
22 quantity, for sale at the retailer's same place of business  
23 and then either (i) the purchaser takes possession of the  
24 tangible personal property at the same place of business or  
25 (ii) the retailer delivers or arranges for the tangible  
26 personal property to be delivered to the purchaser.

1           (2) If a purchaser, having no prior commitment to the  
2 retailer, agrees to purchase tangible personal property  
3 and makes payment over the phone, in writing, or via the  
4 Internet and takes possession of the tangible personal  
5 property at the retailer's place of business, then the sale  
6 shall be deemed to have occurred at the retailer's place of  
7 business where the purchaser takes possession of the  
8 property if the retailer regularly stocks the item or  
9 similar items in the quantity, or similar quantities,  
10 purchased by the purchaser.

11           (3) A retailer is deemed to be engaged in the business  
12 of selling food, beverages, or other tangible personal  
13 property through a vending machine at the location where  
14 the vending machine is located at the time the sale is made  
15 if (i) the vending machine is a device operated by coin,  
16 currency, credit card, token, coupon or similar device; (2)  
17 the food, beverage or other tangible personal property is  
18 contained within the vending machine and dispensed from the  
19 vending machine; and (3) the purchaser takes possession of  
20 the purchased food, beverage or other tangible personal  
21 property immediately.

22           (4) Minerals. A producer of coal or other mineral mined  
23 in Illinois is deemed to be engaged in the business of  
24 selling at the place where the coal or other mineral mined  
25 in Illinois is extracted from the earth. With respect to  
26 minerals (i) the term "extracted from the earth" means the

1 location at which the coal or other mineral is extracted  
2 from the mouth of the mine, and (ii) a "mineral" includes  
3 not only coal, but also oil, sand, stone taken from a  
4 quarry, gravel and any other thing commonly regarded as a  
5 mineral and extracted from the earth. This paragraph does  
6 not apply to coal or another mineral when it is delivered  
7 or shipped by the seller to the purchaser at a point  
8 outside Illinois so that the sale is exempt under the  
9 United States Constitution as a sale in interstate or  
10 foreign commerce.

11 (5) A retailer selling tangible personal property to a  
12 nominal lessee or bailee pursuant to a lease with a dollar  
13 or other nominal option to purchase is engaged in the  
14 business of selling at the location where the property is  
15 first delivered to the lessee or bailee for its intended  
16 use.

17 (6) Aircraft fuel. Notwithstanding any other provision  
18 of law, the location where a retailer is deemed to be  
19 engaged in the business of selling fuel used by an aircraft  
20 shall be deemed to be the place where the fuel is delivered  
21 to the aircraft. For the purposes of this paragraph, "fuel"  
22 has the meaning given to that term in Section 1.19 of the  
23 Motor Fuel Tax Law.

24 (Source: P.A. 98-1098, eff. 8-26-14; 99-126, eff. 7-23-15.)

25 Section 15. The Counties Code is amended by changing



1 Sections 5-1006, 5-1006.5, 5-1006.7, and 5-1008.5 as follows:

2 (55 ILCS 5/5-1006) (from Ch. 34, par. 5-1006)

3 Sec. 5-1006. Home Rule County Retailers' Occupation Tax  
4 Law. Any county that is a home rule unit may impose a tax upon  
5 all persons engaged in the business of selling tangible  
6 personal property, other than an item of tangible personal  
7 property titled or registered with an agency of this State's  
8 government, at retail in the county on the gross receipts from  
9 such sales made in the course of their business. If imposed,  
10 this tax shall only be imposed in 1/4% increments. On and after  
11 September 1, 1991, this additional tax may not be imposed on  
12 the sales of food for human consumption which is to be consumed  
13 off the premises where it is sold (other than alcoholic  
14 beverages, soft drinks and food which has been prepared for  
15 immediate consumption) and prescription and nonprescription  
16 medicines, drugs, medical appliances and insulin, urine  
17 testing materials, syringes and needles used by diabetics. The  
18 tax imposed by a home rule county pursuant to this Section and  
19 all civil penalties that may be assessed as an incident thereof  
20 shall be collected and enforced by the State Department of  
21 Revenue. The certificate of registration that is issued by the  
22 Department to a retailer under the Retailers' Occupation Tax  
23 Act shall permit the retailer to engage in a business that is  
24 taxable under any ordinance or resolution enacted pursuant to  
25 this Section without registering separately with the

1 Department under such ordinance or resolution or under this  
2 Section. The Department shall have full power to administer and  
3 enforce this Section; to collect all taxes and penalties due  
4 hereunder; to dispose of taxes and penalties so collected in  
5 the manner hereinafter provided; and to determine all rights to  
6 credit memoranda arising on account of the erroneous payment of  
7 tax or penalty hereunder. In the administration of, and  
8 compliance with, this Section, the Department and persons who  
9 are subject to this Section shall have the same rights,  
10 remedies, privileges, immunities, powers and duties, and be  
11 subject to the same conditions, restrictions, limitations,  
12 penalties and definitions of terms, and employ the same modes  
13 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
14 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2 through 2-65 (in respect to all  
15 provisions therein other than the State rate of tax), 4, 5, 5a,  
16 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
17 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act  
18 and Section 3-7 of the Uniform Penalty and Interest Act, as  
19 fully as if those provisions were set forth herein.

20 No tax may be imposed by a home rule county pursuant to  
21 this Section unless the county also imposes a tax at the same  
22 rate pursuant to Section 5-1007.

23 Persons subject to any tax imposed pursuant to the  
24 authority granted in this Section may reimburse themselves for  
25 their seller's tax liability hereunder by separately stating  
26 such tax as an additional charge, which charge may be stated in

1 combination, in a single amount, with State tax which sellers  
2 are required to collect under the Use Tax Act, pursuant to such  
3 bracket schedules as the Department may prescribe.

4 Whenever the Department determines that a refund should be  
5 made under this Section to a claimant instead of issuing a  
6 credit memorandum, the Department shall notify the State  
7 Comptroller, who shall cause the order to be drawn for the  
8 amount specified and to the person named in the notification  
9 from the Department. The refund shall be paid by the State  
10 Treasurer out of the home rule county retailers' occupation tax  
11 fund.

12 The Department shall forthwith pay over to the State  
13 Treasurer, ex officio, as trustee, all taxes and penalties  
14 collected hereunder.

15 As soon as possible after the first day of each month,  
16 beginning January 1, 2011, upon certification of the Department  
17 of Revenue, the Comptroller shall order transferred, and the  
18 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
19 local sales tax increment, as defined in the Innovation  
20 Development and Economy Act, collected under this Section  
21 during the second preceding calendar month for sales within a  
22 STAR bond district.

23 After the monthly transfer to the STAR Bonds Revenue Fund,  
24 on or before the 25th day of each calendar month, the  
25 Department shall prepare and certify to the Comptroller the  
26 disbursement of stated sums of money to named counties, the

1 counties to be those from which retailers have paid taxes or  
2 penalties hereunder to the Department during the second  
3 preceding calendar month. The amount to be paid to each county  
4 shall be the amount (not including credit memoranda) collected  
5 hereunder during the second preceding calendar month by the  
6 Department plus an amount the Department determines is  
7 necessary to offset any amounts that were erroneously paid to a  
8 different taxing body, and not including an amount equal to the  
9 amount of refunds made during the second preceding calendar  
10 month by the Department on behalf of such county, and not  
11 including any amount which the Department determines is  
12 necessary to offset any amounts which were payable to a  
13 different taxing body but were erroneously paid to the county,  
14 and not including any amounts that are transferred to the STAR  
15 Bonds Revenue Fund. Within 10 days after receipt, by the  
16 Comptroller, of the disbursement certification to the counties  
17 provided for in this Section to be given to the Comptroller by  
18 the Department, the Comptroller shall cause the orders to be  
19 drawn for the respective amounts in accordance with the  
20 directions contained in the certification.

21 In addition to the disbursement required by the preceding  
22 paragraph, an allocation shall be made in March of each year to  
23 each county that received more than \$500,000 in disbursements  
24 under the preceding paragraph in the preceding calendar year.  
25 The allocation shall be in an amount equal to the average  
26 monthly distribution made to each such county under the

1 preceding paragraph during the preceding calendar year  
2 (excluding the 2 months of highest receipts). The distribution  
3 made in March of each year subsequent to the year in which an  
4 allocation was made pursuant to this paragraph and the  
5 preceding paragraph shall be reduced by the amount allocated  
6 and disbursed under this paragraph in the preceding calendar  
7 year. The Department shall prepare and certify to the  
8 Comptroller for disbursement the allocations made in  
9 accordance with this paragraph.

10 For the purpose of determining the local governmental unit  
11 whose tax is applicable, a retail sale by a producer of coal or  
12 other mineral mined in Illinois is a sale at retail at the  
13 place where the coal or other mineral mined in Illinois is  
14 extracted from the earth. This paragraph does not apply to coal  
15 or other mineral when it is delivered or shipped by the seller  
16 to the purchaser at a point outside Illinois so that the sale  
17 is exempt under the United States Constitution as a sale in  
18 interstate or foreign commerce.

19 Notwithstanding any other provision of law, for the purpose  
20 of determining the local governmental unit whose tax is  
21 applicable, a retail sale of fuel used by an aircraft shall be  
22 deemed to be a retail sale at the place where the fuel is  
23 delivered to the aircraft. For the purposes of this paragraph,  
24 "fuel" has the meaning given to that term in Section 1.19 of  
25 the Motor Fuel Tax Law.

26 Nothing in this Section shall be construed to authorize a

1 county to impose a tax upon the privilege of engaging in any  
2 business which under the Constitution of the United States may  
3 not be made the subject of taxation by this State.

4 An ordinance or resolution imposing or discontinuing a tax  
5 hereunder or effecting a change in the rate thereof shall be  
6 adopted and a certified copy thereof filed with the Department  
7 on or before the first day of June, whereupon the Department  
8 shall proceed to administer and enforce this Section as of the  
9 first day of September next following such adoption and filing.

10 Beginning January 1, 1992, an ordinance or resolution imposing  
11 or discontinuing the tax hereunder or effecting a change in the  
12 rate thereof shall be adopted and a certified copy thereof  
13 filed with the Department on or before the first day of July,  
14 whereupon the Department shall proceed to administer and  
15 enforce this Section as of the first day of October next  
16 following such adoption and filing. Beginning January 1, 1993,

17 an ordinance or resolution imposing or discontinuing the tax  
18 hereunder or effecting a change in the rate thereof shall be  
19 adopted and a certified copy thereof filed with the Department  
20 on or before the first day of October, whereupon the Department  
21 shall proceed to administer and enforce this Section as of the  
22 first day of January next following such adoption and filing.

23 Beginning April 1, 1998, an ordinance or resolution imposing or  
24 discontinuing the tax hereunder or effecting a change in the  
25 rate thereof shall either (i) be adopted and a certified copy  
26 thereof filed with the Department on or before the first day of

1 April, whereupon the Department shall proceed to administer and  
2 enforce this Section as of the first day of July next following  
3 the adoption and filing; or (ii) be adopted and a certified  
4 copy thereof filed with the Department on or before the first  
5 day of October, whereupon the Department shall proceed to  
6 administer and enforce this Section as of the first day of  
7 January next following the adoption and filing.

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

14 This Section shall be known and may be cited as the Home  
15 Rule County Retailers' Occupation Tax Law.

16 (Source: P.A. 99-217, eff. 7-31-15.)

17 (55 ILCS 5/5-1006.5)

18 Sec. 5-1006.5. Special County Retailers' Occupation Tax  
19 For Public Safety, Public Facilities, or Transportation.

20 (a) The county board of any county may impose a tax upon  
21 all persons engaged in the business of selling tangible  
22 personal property, other than personal property titled or  
23 registered with an agency of this State's government, at retail  
24 in the county on the gross receipts from the sales made in the  
25 course of business to provide revenue to be used exclusively

1 for public safety, public facility, or transportation purposes  
2 in that county, if a proposition for the tax has been submitted  
3 to the electors of that county and approved by a majority of  
4 those voting on the question. If imposed, this tax shall be  
5 imposed only in one-quarter percent increments. By resolution,  
6 the county board may order the proposition to be submitted at  
7 any election. If the tax is imposed for transportation purposes  
8 for expenditures for public highways or as authorized under the  
9 Illinois Highway Code, the county board must publish notice of  
10 the existence of its long-range highway transportation plan as  
11 required or described in Section 5-301 of the Illinois Highway  
12 Code and must make the plan publicly available prior to  
13 approval of the ordinance or resolution imposing the tax. If  
14 the tax is imposed for transportation purposes for expenditures  
15 for passenger rail transportation, the county board must  
16 publish notice of the existence of its long-range passenger  
17 rail transportation plan and must make the plan publicly  
18 available prior to approval of the ordinance or resolution  
19 imposing the tax.

20 If a tax is imposed for public facilities purposes, then  
21 the name of the project may be included in the proposition at  
22 the discretion of the county board as determined in the  
23 enabling resolution. For example, the "XXX Nursing Home" or the  
24 "YYY Museum".

25 The county clerk shall certify the question to the proper  
26 election authority, who shall submit the proposition at an



1 election in accordance with the general election law.

2 (1) The proposition for public safety purposes shall be  
3 in substantially the following form:

4 "To pay for public safety purposes, shall (name of  
5 county) be authorized to impose an increase on its share of  
6 local sales taxes by (insert rate)?"

7 As additional information on the ballot below the  
8 question shall appear the following:

9 "This would mean that a consumer would pay an  
10 additional (insert amount) in sales tax for every \$100 of  
11 tangible personal property bought at retail."

12 The county board may also opt to establish a sunset  
13 provision at which time the additional sales tax would  
14 cease being collected, if not terminated earlier by a vote  
15 of the county board. If the county board votes to include a  
16 sunset provision, the proposition for public safety  
17 purposes shall be in substantially the following form:

18 "To pay for public safety purposes, shall (name of  
19 county) be authorized to impose an increase on its share of  
20 local sales taxes by (insert rate) for a period not to  
21 exceed (insert number of years)?"

22 As additional information on the ballot below the  
23 question shall appear the following:

24 "This would mean that a consumer would pay an  
25 additional (insert amount) in sales tax for every \$100 of  
26 tangible personal property bought at retail. If imposed,

1 the additional tax would cease being collected at the end  
2 of (insert number of years), if not terminated earlier by a  
3 vote of the county board."

4 For the purposes of the paragraph, "public safety  
5 purposes" means crime prevention, detention, fire  
6 fighting, police, medical, ambulance, or other emergency  
7 services.

8 Votes shall be recorded as "Yes" or "No".

9 Beginning on the January 1 or July 1, whichever is  
10 first, that occurs not less than 30 days after May 31, 2015  
11 (the effective date of Public Act 99-4), Adams County may  
12 impose a public safety retailers' occupation tax and  
13 service occupation tax at the rate of 0.25%, as provided in  
14 the referendum approved by the voters on April 7, 2015,  
15 notwithstanding the omission of the additional information  
16 that is otherwise required to be printed on the ballot  
17 below the question pursuant to this item (1).

18 (2) The proposition for transportation purposes shall  
19 be in substantially the following form:

20 "To pay for improvements to roads and other  
21 transportation purposes, shall (name of county) be  
22 authorized to impose an increase on its share of local  
23 sales taxes by (insert rate)?"

24 As additional information on the ballot below the  
25 question shall appear the following:

26 "This would mean that a consumer would pay an

1 additional (insert amount) in sales tax for every \$100 of  
2 tangible personal property bought at retail."

3 The county board may also opt to establish a sunset  
4 provision at which time the additional sales tax would  
5 cease being collected, if not terminated earlier by a vote  
6 of the county board. If the county board votes to include a  
7 sunset provision, the proposition for transportation  
8 purposes shall be in substantially the following form:

9 "To pay for road improvements and other transportation  
10 purposes, shall (name of county) be authorized to impose an  
11 increase on its share of local sales taxes by (insert rate)  
12 for a period not to exceed (insert number of years)?"

13 As additional information on the ballot below the  
14 question shall appear the following:

15 "This would mean that a consumer would pay an  
16 additional (insert amount) in sales tax for every \$100 of  
17 tangible personal property bought at retail. If imposed,  
18 the additional tax would cease being collected at the end  
19 of (insert number of years), if not terminated earlier by a  
20 vote of the county board."

21 For the purposes of this paragraph, transportation  
22 purposes means construction, maintenance, operation, and  
23 improvement of public highways, any other purpose for which  
24 a county may expend funds under the Illinois Highway Code,  
25 and passenger rail transportation.

26 The votes shall be recorded as "Yes" or "No".

1           (3) The proposition for public facilities purposes  
2 shall be in substantially the following form:

3           "To pay for public facilities purposes, shall (name of  
4 county) be authorized to impose an increase on its share of  
5 local sales taxes by (insert rate)?"

6           As additional information on the ballot below the  
7 question shall appear the following:

8           "This would mean that a consumer would pay an  
9 additional (insert amount) in sales tax for every \$100 of  
10 tangible personal property bought at retail."

11           The county board may also opt to establish a sunset  
12 provision at which time the additional sales tax would  
13 cease being collected, if not terminated earlier by a vote  
14 of the county board. If the county board votes to include a  
15 sunset provision, the proposition for public facilities  
16 purposes shall be in substantially the following form:

17           "To pay for public facilities purposes, shall (name of  
18 county) be authorized to impose an increase on its share of  
19 local sales taxes by (insert rate) for a period not to  
20 exceed (insert number of years)?"

21           As additional information on the ballot below the  
22 question shall appear the following:

23           "This would mean that a consumer would pay an  
24 additional (insert amount) in sales tax for every \$100 of  
25 tangible personal property bought at retail. If imposed,  
26 the additional tax would cease being collected at the end

1 of (insert number of years), if not terminated earlier by a  
2 vote of the county board."

3 For purposes of this Section, "public facilities  
4 purposes" means the acquisition, development,  
5 construction, reconstruction, rehabilitation, improvement,  
6 financing, architectural planning, and installation of  
7 capital facilities consisting of buildings, structures,  
8 and durable equipment and for the acquisition and  
9 improvement of real property and interest in real property  
10 required, or expected to be required, in connection with  
11 the public facilities, for use by the county for the  
12 furnishing of governmental services to its citizens,  
13 including but not limited to museums and nursing homes.

14 The votes shall be recorded as "Yes" or "No".

15 If a majority of the electors voting on the proposition  
16 vote in favor of it, the county may impose the tax. A county  
17 may not submit more than one proposition authorized by this  
18 Section to the electors at any one time.

19 This additional tax may not be imposed on the sales of food  
20 for human consumption that is to be consumed off the premises  
21 where it is sold (other than alcoholic beverages, soft drinks,  
22 and food which has been prepared for immediate consumption) and  
23 prescription and non-prescription medicines, drugs, medical  
24 appliances and insulin, urine testing materials, syringes, and  
25 needles used by diabetics. The tax imposed by a county under  
26 this Section and all civil penalties that may be assessed as an

1 incident of the tax shall be collected and enforced by the  
2 Illinois Department of Revenue and deposited into a special  
3 fund created for that purpose. The certificate of registration  
4 that is issued by the Department to a retailer under the  
5 Retailers' Occupation Tax Act shall permit the retailer to  
6 engage in a business that is taxable without registering  
7 separately with the Department under an ordinance or resolution  
8 under this Section. The Department has full power to administer  
9 and enforce this Section, to collect all taxes and penalties  
10 due under this Section, to dispose of taxes and penalties so  
11 collected in the manner provided in this Section, and to  
12 determine all rights to credit memoranda arising on account of  
13 the erroneous payment of a tax or penalty under this Section.  
14 In the administration of and compliance with this Section, the  
15 Department and persons who are subject to this Section shall  
16 (i) have the same rights, remedies, privileges, immunities,  
17 powers, and duties, (ii) be subject to the same conditions,  
18 restrictions, limitations, penalties, and definitions of  
19 terms, and (iii) employ the same modes of procedure as are  
20 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,  
21 1n, 2 through 2-70 (in respect to all provisions contained in  
22 those Sections other than the State rate of tax), 2a, 2b, 2c, 3  
23 (except provisions relating to transaction returns and quarter  
24 monthly payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i,  
25 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 11a, 12, and 13  
26 of the Retailers' Occupation Tax Act and Section 3-7 of the

1 Uniform Penalty and Interest Act as if those provisions were  
2 set forth in this Section.

3 Persons subject to any tax imposed under the authority  
4 granted in this Section may reimburse themselves for their  
5 sellers' tax liability by separately stating the tax as an  
6 additional charge, which charge may be stated in combination,  
7 in a single amount, with State tax which sellers are required  
8 to collect under the Use Tax Act, pursuant to such bracketed  
9 schedules as the Department may prescribe.

10 Whenever the Department determines that a refund should be  
11 made under this Section to a claimant instead of issuing a  
12 credit memorandum, the Department shall notify the State  
13 Comptroller, who shall cause the order to be drawn for the  
14 amount specified and to the person named in the notification  
15 from the Department. The refund shall be paid by the State  
16 Treasurer out of the County Public Safety or Transportation  
17 Retailers' Occupation Tax Fund.

18 (b) If a tax has been imposed under subsection (a), a  
19 service occupation tax shall also be imposed at the same rate  
20 upon all persons engaged, in the county, in the business of  
21 making sales of service, who, as an incident to making those  
22 sales of service, transfer tangible personal property within  
23 the county as an incident to a sale of service. This tax may  
24 not be imposed on sales of food for human consumption that is  
25 to be consumed off the premises where it is sold (other than  
26 alcoholic beverages, soft drinks, and food prepared for

1 immediate consumption) and prescription and non-prescription  
2 medicines, drugs, medical appliances and insulin, urine  
3 testing materials, syringes, and needles used by diabetics. The  
4 tax imposed under this subsection and all civil penalties that  
5 may be assessed as an incident thereof shall be collected and  
6 enforced by the Department of Revenue. The Department has full  
7 power to administer and enforce this subsection; to collect all  
8 taxes and penalties due hereunder; to dispose of taxes and  
9 penalties so collected in the manner hereinafter provided; and  
10 to determine all rights to credit memoranda arising on account  
11 of the erroneous payment of tax or penalty hereunder. In the  
12 administration of, and compliance with this subsection, the  
13 Department and persons who are subject to this paragraph shall  
14 (i) have the same rights, remedies, privileges, immunities,  
15 powers, and duties, (ii) be subject to the same conditions,  
16 restrictions, limitations, penalties, exclusions, exemptions,  
17 and definitions of terms, and (iii) employ the same modes of  
18 procedure as are prescribed in Sections 2 (except that the  
19 reference to State in the definition of supplier maintaining a  
20 place of business in this State shall mean the county), 2a, 2b,  
21 2c, 3 through 3-50 (in respect to all provisions therein other  
22 than the State rate of tax), 4 (except that the reference to  
23 the State shall be to the county), 5, 7, 8 (except that the  
24 jurisdiction to which the tax shall be a debt to the extent  
25 indicated in that Section 8 shall be the county), 9 (except as  
26 to the disposition of taxes and penalties collected), 10, 11,



1 12 (except the reference therein to Section 2b of the  
2 Retailers' Occupation Tax Act), 13 (except that any reference  
3 to the State shall mean the county), Section 15, 16, 17, 18, 19  
4 and 20 of the Service Occupation Tax Act and Section 3-7 of the  
5 Uniform Penalty and Interest Act, as fully as if those  
6 provisions were set forth herein.

7 Persons subject to any tax imposed under the authority  
8 granted in this subsection may reimburse themselves for their  
9 serviceman's tax liability by separately stating the tax as an  
10 additional charge, which charge may be stated in combination,  
11 in a single amount, with State tax that servicemen are  
12 authorized to collect under the Service Use Tax Act, in  
13 accordance with such bracket schedules as the Department may  
14 prescribe.

15 Whenever the Department determines that a refund should be  
16 made under this subsection to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the warrant to be drawn for the  
19 amount specified, and to the person named, in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the County Public Safety or Transportation  
22 Retailers' Occupation Fund.

23 Nothing in this subsection shall be construed to authorize  
24 the county to impose a tax upon the privilege of engaging in  
25 any business which under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1           (c) The Department shall immediately pay over to the State  
2 Treasurer, ex officio, as trustee, all taxes and penalties  
3 collected under this Section to be deposited into the County  
4 Public Safety or Transportation Retailers' Occupation Tax  
5 Fund, which shall be an unappropriated trust fund held outside  
6 of the State treasury.

7           As soon as possible after the first day of each month,  
8 beginning January 1, 2011, upon certification of the Department  
9 of Revenue, the Comptroller shall order transferred, and the  
10 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
11 local sales tax increment, as defined in the Innovation  
12 Development and Economy Act, collected under this Section  
13 during the second preceding calendar month for sales within a  
14 STAR bond district.

15           After the monthly transfer to the STAR Bonds Revenue Fund,  
16 on or before the 25th day of each calendar month, the  
17 Department shall prepare and certify to the Comptroller the  
18 disbursement of stated sums of money to the counties from which  
19 retailers have paid taxes or penalties to the Department during  
20 the second preceding calendar month. The amount to be paid to  
21 each county, and deposited by the county into its special fund  
22 created for the purposes of this Section, shall be the amount  
23 (not including credit memoranda) collected under this Section  
24 during the second preceding calendar month by the Department  
25 plus an amount the Department determines is necessary to offset  
26 any amounts that were erroneously paid to a different taxing

1 body, and not including (i) an amount equal to the amount of  
2 refunds made during the second preceding calendar month by the  
3 Department on behalf of the county, (ii) any amount that the  
4 Department determines is necessary to offset any amounts that  
5 were payable to a different taxing body but were erroneously  
6 paid to the county, and (iii) any amounts that are transferred  
7 to the STAR Bonds Revenue Fund. Within 10 days after receipt by  
8 the Comptroller of the disbursement certification to the  
9 counties provided for in this Section to be given to the  
10 Comptroller by the Department, the Comptroller shall cause the  
11 orders to be drawn for the respective amounts in accordance  
12 with directions contained in the certification.

13 In addition to the disbursement required by the preceding  
14 paragraph, an allocation shall be made in March of each year to  
15 each county that received more than \$500,000 in disbursements  
16 under the preceding paragraph in the preceding calendar year.  
17 The allocation shall be in an amount equal to the average  
18 monthly distribution made to each such county under the  
19 preceding paragraph during the preceding calendar year  
20 (excluding the 2 months of highest receipts). The distribution  
21 made in March of each year subsequent to the year in which an  
22 allocation was made pursuant to this paragraph and the  
23 preceding paragraph shall be reduced by the amount allocated  
24 and disbursed under this paragraph in the preceding calendar  
25 year. The Department shall prepare and certify to the  
26 Comptroller for disbursement the allocations made in

1 accordance with this paragraph.

2 A county may direct, by ordinance, that all or a portion of  
3 the taxes and penalties collected under the Special County  
4 Retailers' Occupation Tax For Public Safety or Transportation  
5 be deposited into the Transportation Development Partnership  
6 Trust Fund.

7 (d) For the purpose of determining the local governmental  
8 unit whose tax is applicable, a retail sale by a producer of  
9 coal or another mineral mined in Illinois is a sale at retail  
10 at the place where the coal or other mineral mined in Illinois  
11 is extracted from the earth. This paragraph does not apply to  
12 coal or another mineral when it is delivered or shipped by the  
13 seller to the purchaser at a point outside Illinois so that the  
14 sale is exempt under the United States Constitution as a sale  
15 in interstate or foreign commerce.

16 Notwithstanding any other provision of law, for the purpose  
17 of determining the local governmental unit whose tax is  
18 applicable, a retail sale of fuel used by an aircraft shall be  
19 deemed to be a retail sale at the place where the fuel is  
20 delivered to the aircraft. For the purposes of this paragraph,  
21 "fuel" has the meaning given to that term in Section 1.19 of  
22 the Motor Fuel Tax Law.

23 (e) Nothing in this Section shall be construed to authorize  
24 a county to impose a tax upon the privilege of engaging in any  
25 business that under the Constitution of the United States may  
26 not be made the subject of taxation by this State.

1           (e-5) If a county imposes a tax under this Section, the  
2 county board may, by ordinance, discontinue or lower the rate  
3 of the tax. If the county board lowers the tax rate or  
4 discontinues the tax, a referendum must be held in accordance  
5 with subsection (a) of this Section in order to increase the  
6 rate of the tax or to reimpose the discontinued tax.

7           (f) Beginning April 1, 1998 and through December 31, 2013,  
8 the results of any election authorizing a proposition to impose  
9 a tax under this Section or effecting a change in the rate of  
10 tax, or any ordinance lowering the rate or discontinuing the  
11 tax, shall be certified by the county clerk and filed with the  
12 Illinois Department of Revenue either (i) on or before the  
13 first day of April, whereupon the Department shall proceed to  
14 administer and enforce the tax as of the first day of July next  
15 following the filing; or (ii) on or before the first day of  
16 October, whereupon the Department shall proceed to administer  
17 and enforce the tax as of the first day of January next  
18 following the filing.

19           Beginning January 1, 2014, the results of any election  
20 authorizing a proposition to impose a tax under this Section or  
21 effecting an increase in the rate of tax, along with the  
22 ordinance adopted to impose the tax or increase the rate of the  
23 tax, or any ordinance adopted to lower the rate or discontinue  
24 the tax, shall be certified by the county clerk and filed with  
25 the Illinois Department of Revenue either (i) on or before the  
26 first day of May, whereupon the Department shall proceed to

1 administer and enforce the tax as of the first day of July next  
2 following the adoption and filing; or (ii) on or before the  
3 first day of October, whereupon the Department shall proceed to  
4 administer and enforce the tax as of the first day of January  
5 next following the adoption and filing.

6 (g) When certifying the amount of a monthly disbursement to  
7 a county under this Section, the Department shall increase or  
8 decrease the amounts by an amount necessary to offset any  
9 miscalculation of previous disbursements. The offset amount  
10 shall be the amount erroneously disbursed within the previous 6  
11 months from the time a miscalculation is discovered.

12 (h) This Section may be cited as the "Special County  
13 Occupation Tax For Public Safety, Public Facilities, or  
14 Transportation Law".

15 (i) For purposes of this Section, "public safety" includes,  
16 but is not limited to, crime prevention, detention, fire  
17 fighting, police, medical, ambulance, or other emergency  
18 services. The county may share tax proceeds received under this  
19 Section for public safety purposes, including proceeds  
20 received before August 4, 2009 (the effective date of Public  
21 Act 96-124), with any fire protection district located in the  
22 county. For the purposes of this Section, "transportation"  
23 includes, but is not limited to, the construction, maintenance,  
24 operation, and improvement of public highways, any other  
25 purpose for which a county may expend funds under the Illinois  
26 Highway Code, and passenger rail transportation. For the

1 purposes of this Section, "public facilities purposes"  
2 includes, but is not limited to, the acquisition, development,  
3 construction, reconstruction, rehabilitation, improvement,  
4 financing, architectural planning, and installation of capital  
5 facilities consisting of buildings, structures, and durable  
6 equipment and for the acquisition and improvement of real  
7 property and interest in real property required, or expected to  
8 be required, in connection with the public facilities, for use  
9 by the county for the furnishing of governmental services to  
10 its citizens, including but not limited to museums and nursing  
11 homes.

12 (j) The Department may promulgate rules to implement Public  
13 Act 95-1002 only to the extent necessary to apply the existing  
14 rules for the Special County Retailers' Occupation Tax for  
15 Public Safety to this new purpose for public facilities.

16 (Source: P.A. 98-584, eff. 8-27-13; 99-4, eff. 5-31-15; 99-217,  
17 eff. 7-31-15; 99-642, eff. 7-28-16.)

18 (55 ILCS 5/5-1006.7)

19 Sec. 5-1006.7. School facility occupation taxes.

20 (a) In any county, a tax shall be imposed upon all persons  
21 engaged in the business of selling tangible personal property,  
22 other than personal property titled or registered with an  
23 agency of this State's government, at retail in the county on  
24 the gross receipts from the sales made in the course of  
25 business to provide revenue to be used exclusively for school

1 facility purposes if a proposition for the tax has been  
2 submitted to the electors of that county and approved by a  
3 majority of those voting on the question as provided in  
4 subsection (c). The tax under this Section shall be imposed  
5 only in one-quarter percent increments and may not exceed 1%.

6 This additional tax may not be imposed on the sale of food  
7 for human consumption that is to be consumed off the premises  
8 where it is sold (other than alcoholic beverages, soft drinks,  
9 and food that has been prepared for immediate consumption) and  
10 prescription and non-prescription medicines, drugs, medical  
11 appliances and insulin, urine testing materials, syringes and  
12 needles used by diabetics. The Department of Revenue has full  
13 power to administer and enforce this subsection, to collect all  
14 taxes and penalties due under this subsection, to dispose of  
15 taxes and penalties so collected in the manner provided in this  
16 subsection, and to determine all rights to credit memoranda  
17 arising on account of the erroneous payment of a tax or penalty  
18 under this subsection. The Department shall deposit all taxes  
19 and penalties collected under this subsection into a special  
20 fund created for that purpose.

21 In the administration of and compliance with this  
22 subsection, the Department and persons who are subject to this  
23 subsection (i) have the same rights, remedies, privileges,  
24 immunities, powers, and duties, (ii) are subject to the same  
25 conditions, restrictions, limitations, penalties, and  
26 definitions of terms, and (iii) shall employ the same modes of



1 procedure as are set forth in Sections 1 through 1o, 2 through  
2 2-70 (in respect to all provisions contained in those Sections  
3 other than the State rate of tax), 2a through 2h, 3 (except as  
4 to the disposition of taxes and penalties collected), 4, 5, 5a,  
5 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
6 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
7 Tax Act and all provisions of the Uniform Penalty and Interest  
8 Act as if those provisions were set forth in this subsection.

9 The certificate of registration that is issued by the  
10 Department to a retailer under the Retailers' Occupation Tax  
11 Act permits the retailer to engage in a business that is  
12 taxable without registering separately with the Department  
13 under an ordinance or resolution under this subsection.

14 Persons subject to any tax imposed under the authority  
15 granted in this subsection may reimburse themselves for their  
16 seller's tax liability by separately stating that tax as an  
17 additional charge, which may be stated in combination, in a  
18 single amount, with State tax that sellers are required to  
19 collect under the Use Tax Act, pursuant to any bracketed  
20 schedules set forth by the Department.

21 (b) If a tax has been imposed under subsection (a), then a  
22 service occupation tax must also be imposed at the same rate  
23 upon all persons engaged, in the county, in the business of  
24 making sales of service, who, as an incident to making those  
25 sales of service, transfer tangible personal property within  
26 the county as an incident to a sale of service.

1           This tax may not be imposed on sales of food for human  
2 consumption that is to be consumed off the premises where it is  
3 sold (other than alcoholic beverages, soft drinks, and food  
4 prepared for immediate consumption) and prescription and  
5 non-prescription medicines, drugs, medical appliances and  
6 insulin, urine testing materials, syringes, and needles used by  
7 diabetics.

8           The tax imposed under this subsection and all civil  
9 penalties that may be assessed as an incident thereof shall be  
10 collected and enforced by the Department and deposited into a  
11 special fund created for that purpose. The Department has full  
12 power to administer and enforce this subsection, to collect all  
13 taxes and penalties due under this subsection, to dispose of  
14 taxes and penalties so collected in the manner provided in this  
15 subsection, and to determine all rights to credit memoranda  
16 arising on account of the erroneous payment of a tax or penalty  
17 under this subsection.

18           In the administration of and compliance with this  
19 subsection, the Department and persons who are subject to this  
20 subsection shall (i) have the same rights, remedies,  
21 privileges, immunities, powers and duties, (ii) be subject to  
22 the same conditions, restrictions, limitations, penalties and  
23 definition of terms, and (iii) employ the same modes of  
24 procedure as are set forth in Sections 2 (except that that  
25 reference to State in the definition of supplier maintaining a  
26 place of business in this State means the county), 2a through

1 2d, 3 through 3-50 (in respect to all provisions contained in  
2 those Sections other than the State rate of tax), 4 (except  
3 that the reference to the State shall be to the county), 5, 7,  
4 8 (except that the jurisdiction to which the tax is a debt to  
5 the extent indicated in that Section 8 is the county), 9  
6 (except as to the disposition of taxes and penalties  
7 collected), 10, 11, 12 (except the reference therein to Section  
8 2b of the Retailers' Occupation Tax Act), 13 (except that any  
9 reference to the State means the county), Section 15, 16, 17,  
10 18, 19, and 20 of the Service Occupation Tax Act and all  
11 provisions of the Uniform Penalty and Interest Act, as fully as  
12 if those provisions were set forth herein.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 serviceman's tax liability by separately stating the tax as an  
16 additional charge, which may be stated in combination, in a  
17 single amount, with State tax that servicemen are authorized to  
18 collect under the Service Use Tax Act, pursuant to any  
19 bracketed schedules set forth by the Department.

20 (c) The tax under this Section may not be imposed until the  
21 question of imposing the tax has been submitted to the electors  
22 of the county at a regular election and approved by a majority  
23 of the electors voting on the question. For all regular  
24 elections held prior to August 23, 2011 (the effective date of  
25 Public Act 97-542), upon a resolution by the county board or a  
26 resolution by school district boards that represent at least

1 51% of the student enrollment within the county, the county  
2 board must certify the question to the proper election  
3 authority in accordance with the Election Code.

4 For all regular elections held prior to August 23, 2011  
5 (the effective date of Public Act 97-542), the election  
6 authority must submit the question in substantially the  
7 following form:

8 Shall (name of county) be authorized to impose a  
9 retailers' occupation tax and a service occupation tax  
10 (commonly referred to as a "sales tax") at a rate of  
11 (insert rate) to be used exclusively for school facility  
12 purposes?

13 The election authority must record the votes as "Yes" or "No".

14 If a majority of the electors voting on the question vote  
15 in the affirmative, then the county may, thereafter, impose the  
16 tax.

17 For all regular elections held on or after August 23, 2011  
18 (the effective date of Public Act 97-542), the regional  
19 superintendent of schools for the county must, upon receipt of  
20 a resolution or resolutions of school district boards that  
21 represent more than 50% of the student enrollment within the  
22 county, certify the question to the proper election authority  
23 for submission to the electors of the county at the next  
24 regular election at which the question lawfully may be  
25 submitted to the electors, all in accordance with the Election  
26 Code.

1 For all regular elections held on or after August 23, 2011  
2 (the effective date of Public Act 97-542), the election  
3 authority must submit the question in substantially the  
4 following form:

5 Shall a retailers' occupation tax and a service  
6 occupation tax (commonly referred to as a "sales tax") be  
7 imposed in (name of county) at a rate of (insert rate) to  
8 be used exclusively for school facility purposes?

9 The election authority must record the votes as "Yes" or "No".

10 If a majority of the electors voting on the question vote  
11 in the affirmative, then the tax shall be imposed at the rate  
12 set forth in the question.

13 For the purposes of this subsection (c), "enrollment" means  
14 the head count of the students residing in the county on the  
15 last school day of September of each year, which must be  
16 reported on the Illinois State Board of Education Public School  
17 Fall Enrollment/Housing Report.

18 (d) The Department shall immediately pay over to the State  
19 Treasurer, ex officio, as trustee, all taxes and penalties  
20 collected under this Section to be deposited into the School  
21 Facility Occupation Tax Fund, which shall be an unappropriated  
22 trust fund held outside the State treasury.

23 On or before the 25th day of each calendar month, the  
24 Department shall prepare and certify to the Comptroller the  
25 disbursement of stated sums of money to the regional  
26 superintendents of schools in counties from which retailers or

1 servicemen have paid taxes or penalties to the Department  
2 during the second preceding calendar month. The amount to be  
3 paid to each regional superintendent of schools and disbursed  
4 to him or her in accordance with Section 3-14.31 of the School  
5 Code, is equal to the amount (not including credit memoranda)  
6 collected from the county under this Section during the second  
7 preceding calendar month by the Department, (i) less 2% of that  
8 amount, which shall be deposited into the Tax Compliance and  
9 Administration Fund and shall be used by the Department,  
10 subject to appropriation, to cover the costs of the Department  
11 in administering and enforcing the provisions of this Section,  
12 on behalf of the county, (ii) plus an amount that the  
13 Department determines is necessary to offset any amounts that  
14 were erroneously paid to a different taxing body; (iii) less an  
15 amount equal to the amount of refunds made during the second  
16 preceding calendar month by the Department on behalf of the  
17 county; and (iv) less any amount that the Department determines  
18 is necessary to offset any amounts that were payable to a  
19 different taxing body but were erroneously paid to the county.  
20 When certifying the amount of a monthly disbursement to a  
21 regional superintendent of schools under this Section, the  
22 Department shall increase or decrease the amounts by an amount  
23 necessary to offset any miscalculation of previous  
24 disbursements within the previous 6 months from the time a  
25 miscalculation is discovered.

26 Within 10 days after receipt by the Comptroller from the

1 Department of the disbursement certification to the regional  
2 superintendents of the schools provided for in this Section,  
3 the Comptroller shall cause the orders to be drawn for the  
4 respective amounts in accordance with directions contained in  
5 the certification.

6 If the Department determines that a refund should be made  
7 under this Section to a claimant instead of issuing a credit  
8 memorandum, then the Department shall notify the Comptroller,  
9 who shall cause the order to be drawn for the amount specified  
10 and to the person named in the notification from the  
11 Department. The refund shall be paid by the Treasurer out of  
12 the School Facility Occupation Tax Fund.

13 (e) For the purposes of determining the local governmental  
14 unit whose tax is applicable, a retail sale by a producer of  
15 coal or another mineral mined in Illinois is a sale at retail  
16 at the place where the coal or other mineral mined in Illinois  
17 is extracted from the earth. This subsection does not apply to  
18 coal or another mineral when it is delivered or shipped by the  
19 seller to the purchaser at a point outside Illinois so that the  
20 sale is exempt under the United States Constitution as a sale  
21 in interstate or foreign commerce.

22 Notwithstanding any other provision of law, for the purpose  
23 of determining the local governmental unit whose tax is  
24 applicable, a retail sale of fuel used by an aircraft shall be  
25 deemed to be a retail sale at the place where the fuel is  
26 delivered to the aircraft. For the purposes of this paragraph,

1 "fuel" has the meaning given to that term in Section 1.19 of  
2 the Motor Fuel Tax Law.

3 (f) Nothing in this Section may be construed to authorize a  
4 tax to be imposed upon the privilege of engaging in any  
5 business that under the Constitution of the United States may  
6 not be made the subject of taxation by this State.

7 (g) If a county board imposes a tax under this Section  
8 pursuant to a referendum held before August 23, 2011 (the  
9 effective date of Public Act 97-542) at a rate below the rate  
10 set forth in the question approved by a majority of electors of  
11 that county voting on the question as provided in subsection  
12 (c), then the county board may, by ordinance, increase the rate  
13 of the tax up to the rate set forth in the question approved by  
14 a majority of electors of that county voting on the question as  
15 provided in subsection (c). If a county board imposes a tax  
16 under this Section pursuant to a referendum held before August  
17 23, 2011 (the effective date of Public Act 97-542), then the  
18 board may, by ordinance, discontinue or reduce the rate of the  
19 tax. If a tax is imposed under this Section pursuant to a  
20 referendum held on or after August 23, 2011 (the effective date  
21 of Public Act 97-542), then the county board may reduce or  
22 discontinue the tax, but only in accordance with subsection  
23 (h-5) of this Section. If, however, a school board issues bonds  
24 that are secured by the proceeds of the tax under this Section,  
25 then the county board may not reduce the tax rate or  
26 discontinue the tax if that rate reduction or discontinuance



1 would adversely affect the school board's ability to pay the  
2 principal and interest on those bonds as they become due or  
3 necessitate the extension of additional property taxes to pay  
4 the principal and interest on those bonds. If the county board  
5 reduces the tax rate or discontinues the tax, then a referendum  
6 must be held in accordance with subsection (c) of this Section  
7 in order to increase the rate of the tax or to reimpose the  
8 discontinued tax.

9       Until January 1, 2014, the results of any election that  
10 imposes, reduces, or discontinues a tax under this Section must  
11 be certified by the election authority, and any ordinance that  
12 increases or lowers the rate or discontinues the tax must be  
13 certified by the county clerk and, in each case, filed with the  
14 Illinois Department of Revenue either (i) on or before the  
15 first day of April, whereupon the Department shall proceed to  
16 administer and enforce the tax or change in the rate as of the  
17 first day of July next following the filing; or (ii) on or  
18 before the first day of October, whereupon the Department shall  
19 proceed to administer and enforce the tax or change in the rate  
20 as of the first day of January next following the filing.

21       Beginning January 1, 2014, the results of any election that  
22 imposes, reduces, or discontinues a tax under this Section must  
23 be certified by the election authority, and any ordinance that  
24 increases or lowers the rate or discontinues the tax must be  
25 certified by the county clerk and, in each case, filed with the  
26 Illinois Department of Revenue either (i) on or before the

1 first day of May, whereupon the Department shall proceed to  
2 administer and enforce the tax or change in the rate as of the  
3 first day of July next following the filing; or (ii) on or  
4 before the first day of October, whereupon the Department shall  
5 proceed to administer and enforce the tax or change in the rate  
6 as of the first day of January next following the filing.

7 (h) For purposes of this Section, "school facility  
8 purposes" means (i) the acquisition, development,  
9 construction, reconstruction, rehabilitation, improvement,  
10 financing, architectural planning, and installation of capital  
11 facilities consisting of buildings, structures, and durable  
12 equipment and for the acquisition and improvement of real  
13 property and interest in real property required, or expected to  
14 be required, in connection with the capital facilities and (ii)  
15 the payment of bonds or other obligations heretofore or  
16 hereafter issued, including bonds or other obligations  
17 heretofore or hereafter issued to refund or to continue to  
18 refund bonds or other obligations issued, for school facility  
19 purposes, provided that the taxes levied to pay those bonds are  
20 abated by the amount of the taxes imposed under this Section  
21 that are used to pay those bonds. "School-facility purposes"  
22 also includes fire prevention, safety, energy conservation,  
23 accessibility, school security, and specified repair purposes  
24 set forth under Section 17-2.11 of the School Code.

25 (h-5) A county board in a county where a tax has been  
26 imposed under this Section pursuant to a referendum held on or

1 after August 23, 2011 (the effective date of Public Act 97-542)  
2 may, by ordinance or resolution, submit to the voters of the  
3 county the question of reducing or discontinuing the tax. In  
4 the ordinance or resolution, the county board shall certify the  
5 question to the proper election authority in accordance with  
6 the Election Code. The election authority must submit the  
7 question in substantially the following form:

8           Shall the school facility retailers' occupation tax  
9           and service occupation tax (commonly referred to as the  
10           "school facility sales tax") currently imposed in (name of  
11           county) at a rate of (insert rate) be (reduced to (insert  
12           rate)) (discontinued)?

13 If a majority of the electors voting on the question vote in  
14 the affirmative, then, subject to the provisions of subsection  
15 (g) of this Section, the tax shall be reduced or discontinued  
16 as set forth in the question.

17           (i) This Section does not apply to Cook County.

18           (j) This Section may be cited as the County School Facility  
19 Occupation Tax Law.

20 (Source: P.A. 98-584, eff. 8-27-13; 99-143, eff. 7-27-15;  
21 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

22           (55 ILCS 5/5-1008.5)

23           Sec. 5-1008.5. Use and occupation taxes.

24           (a) The Rock Island County Board may adopt a resolution  
25 that authorizes a referendum on the question of whether the

1 county shall be authorized to impose a retailers' occupation  
2 tax, a service occupation tax, and a use tax at a rate of 1/4 of  
3 1% on behalf of the economic development activities of Rock  
4 Island County and communities located within the county. The  
5 county board shall certify the question to the proper election  
6 authorities who shall submit the question to the voters of the  
7 county at the next regularly scheduled election in accordance  
8 with the general election law. The question shall be in  
9 substantially the following form:

10 Shall Rock Island County be authorized to impose a  
11 retailers' occupation tax, a service occupation tax, and a  
12 use tax at the rate of 1/4 of 1% for the sole purpose of  
13 economic development activities, including creation and  
14 retention of job opportunities, support of affordable  
15 housing opportunities, and enhancement of quality of life  
16 improvements?

17 Votes shall be recorded as "yes" or "no". If a majority of  
18 all votes cast on the proposition are in favor of the  
19 proposition, the county is authorized to impose the tax.

20 (b) The county shall impose the retailers' occupation tax  
21 upon all persons engaged in the business of selling tangible  
22 personal property at retail in the county, at the rate approved  
23 by referendum, on the gross receipts from the sales made in the  
24 course of those businesses within the county. This additional  
25 tax may not be imposed on the sale of food for human  
26 consumption that is to be consumed off the premises where it is

1 sold (other than alcoholic beverages, soft drinks, and food  
2 that has been prepared for immediate consumption) and  
3 prescription and non-prescription medicines, drugs, medical  
4 appliances and insulin, urine testing materials, syringes, and  
5 needles used by diabetics. The tax imposed under this Section  
6 and all civil penalties that may be assessed as an incident of  
7 the tax shall be collected and enforced by the Department of  
8 Revenue. The Department has full power to administer and  
9 enforce this Section; to collect all taxes and penalties so  
10 collected in the manner provided in this Section; and to  
11 determine all rights to credit memoranda arising on account of  
12 the erroneous payment of tax or penalty under this Section. In  
13 the administration of, and compliance with, this Section, the  
14 Department and persons who are subject to this Section shall  
15 (i) have the same rights, remedies, privileges, immunities,  
16 powers and duties, (ii) be subject to the same conditions,  
17 restrictions, limitations, penalties, exclusions, exemptions,  
18 and definitions of terms, and (iii) employ the same modes of  
19 procedure as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
20 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2, 2-5, 2-5.5, 2-10 (in respect to  
21 all provisions other than the State rate of tax), 2-15 through  
22 2-70, 2a, 2b, 2c, 3 (except as to the disposition of taxes and  
23 penalties collected and provisions related to quarter monthly  
24 payments), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6,  
25 6a, 6b, 6c, 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers'  
26 Occupation Tax Act and Section 3-7 of the Uniform Penalty and

1 Interest Act, as fully as if those provisions were set forth in  
2 this subsection.

3 Persons subject to any tax imposed under this subsection  
4 may reimburse themselves for their seller's tax liability by  
5 separately stating the tax as an additional charge, which  
6 charge may be stated in combination, in a single amount, with  
7 State taxes that sellers are required to collect, in accordance  
8 with bracket schedules prescribed by the Department.

9 Whenever the Department determines that a refund should be  
10 made under this subsection to a claimant instead of issuing a  
11 credit memorandum, the Department shall notify the State  
12 Comptroller, who shall cause the warrant to be drawn for the  
13 amount specified, and to the person named, in the notification  
14 from the Department. The refund shall be paid by the State  
15 Treasurer out of the tax fund referenced under paragraph (g) of  
16 this Section.

17 If a tax is imposed under this subsection (b), a tax shall  
18 also be imposed at the same rate under subsections (c) and (d)  
19 of this Section.

20 For the purpose of determining whether a tax authorized  
21 under this Section is applicable, a retail sale, by a producer  
22 of coal or another mineral mined in Illinois, is a sale at  
23 retail at the place where the coal or other mineral mined in  
24 Illinois is extracted from the earth. This paragraph does not  
25 apply to coal or another mineral when it is delivered or  
26 shipped by the seller to the purchaser at a point outside

1 Illinois so that the sale is exempt under the federal  
2 Constitution as a sale in interstate or foreign commerce.

3 Notwithstanding any other provision of law, for the purpose  
4 of determining whether a tax authorized under this Section is  
5 applicable, a retail sale of fuel used by an aircraft shall be  
6 deemed to be a retail sale at the place where the fuel is  
7 delivered to the aircraft. For the purposes of this paragraph,  
8 "fuel" has the meaning given to that term in Section 1.19 of  
9 the Motor Fuel Tax Law.

10 Nothing in this Section shall be construed to authorize the  
11 county to impose a tax upon the privilege of engaging in any  
12 business that under the Constitution of the United States may  
13 not be made the subject of taxation by this State.

14 (c) If a tax has been imposed under subsection (b), a  
15 service occupation tax shall also be imposed at the same rate  
16 upon all persons engaged, in the county, in the business of  
17 making sales of service, who, as an incident to making those  
18 sales of service, transfer tangible personal property within  
19 the county as an incident to a sale of service. This additional  
20 tax may not be imposed on the sale of food for human  
21 consumption that is to be consumed off the premises where it is  
22 sold (other than alcoholic beverages, soft drinks, and food  
23 that has been prepared for immediate consumption) and  
24 prescription and non-prescription medicines, drugs, medical  
25 appliances and insulin, urine testing materials, syringes, and  
26 needles used by diabetics. The tax imposed under this

1 subsection and all civil penalties that may be assessed as an  
2 incident of the tax shall be collected and enforced by the  
3 Department of Revenue. The Department has full power to  
4 administer and enforce this paragraph; to collect all taxes and  
5 penalties due under this Section; to dispose of taxes and  
6 penalties so collected in the manner provided in this Section;  
7 and to determine all rights to credit memoranda arising on  
8 account of the erroneous payment of tax or penalty under this  
9 Section. In the administration of, and compliance with this  
10 paragraph, the Department and persons who are subject to this  
11 paragraph shall (i) have the same rights, remedies, privileges,  
12 immunities, powers, and duties, (ii) be subject to the same  
13 conditions, restrictions, limitations, penalties, exclusions,  
14 exemptions, and definitions of terms, and (iii) employ the same  
15 modes of procedure as are prescribed in Sections 2 (except that  
16 the reference to State in the definition of supplier  
17 maintaining a place of business in this State shall mean the  
18 county), 2a, 2b, 3 through 3-55 (in respect to all provisions  
19 other than the State rate of tax), 4 (except that the reference  
20 to the State shall be to the county), 5, 7, 8 (except that the  
21 jurisdiction to which the tax shall be a debt to the extent  
22 indicated in that Section 8 shall be the county), 9 (except as  
23 to the disposition of taxes and penalties collected, and except  
24 that the returned merchandise credit for this tax may not be  
25 taken against any State tax), 11, 12 (except the reference to  
26 Section 2b of the Retailers' Occupation Tax Act), 13 (except



1 that any reference to the State shall mean the county), 15, 16,  
2 17, 18, 19 and 20 of the Service Occupation Tax Act and Section  
3 3-7 of the Uniform Penalty and Interest Act, as fully as if  
4 those provisions were set forth in this subsection.

5 Persons subject to any tax imposed under the authority  
6 granted in this subsection may reimburse themselves for their  
7 serviceman's tax liability by separately stating the tax as an  
8 additional charge, which charge may be stated in combination,  
9 in a single amount, with State tax that servicemen are  
10 authorized to collect under the Service Use Tax Act, in  
11 accordance with bracket schedules prescribed by the  
12 Department.

13 Whenever the Department determines that a refund should be  
14 made under this subsection to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of the tax fund referenced under paragraph (g) of  
20 this Section.

21 Nothing in this paragraph shall be construed to authorize  
22 the county to impose a tax upon the privilege of engaging in  
23 any business that under the Constitution of the United States  
24 may not be made the subject of taxation by the State.

25 (d) If a tax has been imposed under subsection (b), a use  
26 tax shall also be imposed at the same rate upon the privilege

1 of using, in the county, any item of tangible personal property  
2 that is purchased outside the county at retail from a retailer,  
3 and that is titled or registered at a location within the  
4 county with an agency of this State's government. This  
5 additional tax may not be imposed on the sale of food for human  
6 consumption that is to be consumed off the premises where it is  
7 sold (other than alcoholic beverages, soft drinks, and food  
8 that has been prepared for immediate consumption) and  
9 prescription and non-prescription medicines, drugs, medical  
10 appliances and insulin, urine testing materials, syringes, and  
11 needles used by diabetics. "Selling price" is defined as in the  
12 Use Tax Act. The tax shall be collected from persons whose  
13 Illinois address for titling or registration purposes is given  
14 as being in the county. The tax shall be collected by the  
15 Department of Revenue for the county. The tax must be paid to  
16 the State, or an exemption determination must be obtained from  
17 the Department of Revenue, before the title or certificate of  
18 registration for the property may be issued. The tax or proof  
19 of exemption may be transmitted to the Department by way of the  
20 State agency with which, or the State officer with whom, the  
21 tangible personal property must be titled or registered if the  
22 Department and the State agency or State officer determine that  
23 this procedure will expedite the processing of applications for  
24 title or registration.

25 The Department has full power to administer and enforce  
26 this paragraph; to collect all taxes, penalties, and interest

1 due under this Section; to dispose of taxes, penalties, and  
2 interest so collected in the manner provided in this Section;  
3 and to determine all rights to credit memoranda or refunds  
4 arising on account of the erroneous payment of tax, penalty, or  
5 interest under this Section. In the administration of, and  
6 compliance with, this subsection, the Department and persons  
7 who are subject to this paragraph shall (i) have the same  
8 rights, remedies, privileges, immunities, powers, and duties,  
9 (ii) be subject to the same conditions, restrictions,  
10 limitations, penalties, exclusions, exemptions, and  
11 definitions of terms, and (iii) employ the same modes of  
12 procedure as are prescribed in Sections 2 (except the  
13 definition of "retailer maintaining a place of business in this  
14 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
15 7, 8 (except that the jurisdiction to which the tax shall be a  
16 debt to the extent indicated in that Section 8 shall be the  
17 county), 9 (except provisions relating to quarter monthly  
18 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
19 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
20 Interest Act, that are not inconsistent with this paragraph, as  
21 fully as if those provisions were set forth in this subsection.

22 Whenever the Department determines that a refund should be  
23 made under this subsection to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the order to be drawn for the  
26 amount specified, and to the person named, in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the tax fund referenced under paragraph (g) of  
3 this Section.

4 (e) A certificate of registration issued by the State  
5 Department of Revenue to a retailer under the Retailers'  
6 Occupation Tax Act or under the Service Occupation Tax Act  
7 shall permit the registrant to engage in a business that is  
8 taxed under the tax imposed under paragraphs (b), (c), or (d)  
9 of this Section and no additional registration shall be  
10 required. A certificate issued under the Use Tax Act or the  
11 Service Use Tax Act shall be applicable with regard to any tax  
12 imposed under paragraph (c) of this Section.

13 (f) The results of any election authorizing a proposition  
14 to impose a tax under this Section or effecting a change in the  
15 rate of tax shall be certified by the proper election  
16 authorities and filed with the Illinois Department on or before  
17 the first day of October. In addition, an ordinance imposing,  
18 discontinuing, or effecting a change in the rate of tax under  
19 this Section shall be adopted and a certified copy of the  
20 ordinance filed with the Department on or before the first day  
21 of October. After proper receipt of the certifications, the  
22 Department shall proceed to administer and enforce this Section  
23 as of the first day of January next following the adoption and  
24 filing.

25 (g) The Department of Revenue shall, upon collecting any  
26 taxes and penalties as provided in this Section, pay the taxes

1 and penalties over to the State Treasurer as trustee for the  
2 county. The taxes and penalties shall be held in a trust fund  
3 outside the State Treasury. On or before the 25th day of each  
4 calendar month, the Department of Revenue shall prepare and  
5 certify to the Comptroller of the State of Illinois the amount  
6 to be paid to the county, which shall be the balance in the  
7 fund, less any amount determined by the Department to be  
8 necessary for the payment of refunds. Within 10 days after  
9 receipt by the Comptroller of the certification of the amount  
10 to be paid to the county, the Comptroller shall cause an order  
11 to be drawn for payment for the amount in accordance with the  
12 directions contained in the certification. Amounts received  
13 from the tax imposed under this Section shall be used only for  
14 the economic development activities of the county and  
15 communities located within the county.

16 (h) When certifying the amount of a monthly disbursement to  
17 the county under this Section, the Department shall increase or  
18 decrease the amounts by an amount necessary to offset any  
19 miscalculation of previous disbursements. The offset amount  
20 shall be the amount erroneously disbursed within the previous 6  
21 months from the time a miscalculation is discovered.

22 (i) This Section may be cited as the Rock Island County Use  
23 and Occupation Tax Law.

24 (Source: P.A. 90-415, eff. 8-15-97.)

25 Section 20. The Illinois Municipal Code is amended by

1 changing Sections 8-11-1, 8-11-1.3, 8-11-1.6, and 11-74.3-6 as  
2 follows:

3 (65 ILCS 5/8-11-1) (from Ch. 24, par. 8-11-1)

4 Sec. 8-11-1. Home Rule Municipal Retailers' Occupation Tax  
5 Act. The corporate authorities of a home rule municipality may  
6 impose a tax upon all persons engaged in the business of  
7 selling tangible personal property, other than an item of  
8 tangible personal property titled or registered with an agency  
9 of this State's government, at retail in the municipality on  
10 the gross receipts from these sales made in the course of such  
11 business. If imposed, the tax shall only be imposed in 1/4%  
12 increments. On and after September 1, 1991, this additional tax  
13 may not be imposed on the sales of food for human consumption  
14 that is to be consumed off the premises where it is sold (other  
15 than alcoholic beverages, soft drinks and food that has been  
16 prepared for immediate consumption) and prescription and  
17 nonprescription medicines, drugs, medical appliances and  
18 insulin, urine testing materials, syringes and needles used by  
19 diabetics. The tax imposed by a home rule municipality under  
20 this Section and all civil penalties that may be assessed as an  
21 incident of the tax shall be collected and enforced by the  
22 State Department of Revenue. The certificate of registration  
23 that is issued by the Department to a retailer under the  
24 Retailers' Occupation Tax Act shall permit the retailer to  
25 engage in a business that is taxable under any ordinance or

1 resolution enacted pursuant to this Section without  
2 registering separately with the Department under such  
3 ordinance or resolution or under this Section. The Department  
4 shall have full power to administer and enforce this Section;  
5 to collect all taxes and penalties due hereunder; to dispose of  
6 taxes and penalties so collected in the manner hereinafter  
7 provided; and to determine all rights to credit memoranda  
8 arising on account of the erroneous payment of tax or penalty  
9 hereunder. In the administration of, and compliance with, this  
10 Section the Department and persons who are subject to this  
11 Section shall have the same rights, remedies, privileges,  
12 immunities, powers and duties, and be subject to the same  
13 conditions, restrictions, limitations, penalties and  
14 definitions of terms, and employ the same modes of procedure,  
15 as are prescribed in Sections 1, 1a, 1d, 1e, 1f, 1i, 1j, 1k,  
16 1m, 1n, 2 through 2-65 (in respect to all provisions therein  
17 other than the State rate of tax), 2c, 3 (except as to the  
18 disposition of taxes and penalties collected), 4, 5, 5a, 5b,  
19 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8,  
20 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act and  
21 Section 3-7 of the Uniform Penalty and Interest Act, as fully  
22 as if those provisions were set forth herein.

23 No tax may be imposed by a home rule municipality under  
24 this Section unless the municipality also imposes a tax at the  
25 same rate under Section 8-11-5 of this Act.

26 Persons subject to any tax imposed under the authority

1 granted in this Section may reimburse themselves for their  
2 seller's tax liability hereunder by separately stating that tax  
3 as an additional charge, which charge may be stated in  
4 combination, in a single amount, with State tax which sellers  
5 are required to collect under the Use Tax Act, pursuant to such  
6 bracket schedules as the Department may prescribe.

7 Whenever the Department determines that a refund should be  
8 made under this Section to a claimant instead of issuing a  
9 credit memorandum, the Department shall notify the State  
10 Comptroller, who shall cause the order to be drawn for the  
11 amount specified and to the person named in the notification  
12 from the Department. The refund shall be paid by the State  
13 Treasurer out of the home rule municipal retailers' occupation  
14 tax fund.

15 The Department shall immediately pay over to the State  
16 Treasurer, ex officio, as trustee, all taxes and penalties  
17 collected hereunder.

18 As soon as possible after the first day of each month,  
19 beginning January 1, 2011, upon certification of the Department  
20 of Revenue, the Comptroller shall order transferred, and the  
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
22 local sales tax increment, as defined in the Innovation  
23 Development and Economy Act, collected under this Section  
24 during the second preceding calendar month for sales within a  
25 STAR bond district.

26 After the monthly transfer to the STAR Bonds Revenue Fund,



1 on or before the 25th day of each calendar month, the  
2 Department shall prepare and certify to the Comptroller the  
3 disbursement of stated sums of money to named municipalities,  
4 the municipalities to be those from which retailers have paid  
5 taxes or penalties hereunder to the Department during the  
6 second preceding calendar month. The amount to be paid to each  
7 municipality shall be the amount (not including credit  
8 memoranda) collected hereunder during the second preceding  
9 calendar month by the Department plus an amount the Department  
10 determines is necessary to offset any amounts that were  
11 erroneously paid to a different taxing body, and not including  
12 an amount equal to the amount of refunds made during the second  
13 preceding calendar month by the Department on behalf of such  
14 municipality, and not including any amount that the Department  
15 determines is necessary to offset any amounts that were payable  
16 to a different taxing body but were erroneously paid to the  
17 municipality, and not including any amounts that are  
18 transferred to the STAR Bonds Revenue Fund. Within 10 days  
19 after receipt by the Comptroller of the disbursement  
20 certification to the municipalities provided for in this  
21 Section to be given to the Comptroller by the Department, the  
22 Comptroller shall cause the orders to be drawn for the  
23 respective amounts in accordance with the directions contained  
24 in the certification.

25 In addition to the disbursement required by the preceding  
26 paragraph and in order to mitigate delays caused by

1 distribution procedures, an allocation shall, if requested, be  
2 made within 10 days after January 14, 1991, and in November of  
3 1991 and each year thereafter, to each municipality that  
4 received more than \$500,000 during the preceding fiscal year,  
5 (July 1 through June 30) whether collected by the municipality  
6 or disbursed by the Department as required by this Section.  
7 Within 10 days after January 14, 1991, participating  
8 municipalities shall notify the Department in writing of their  
9 intent to participate. In addition, for the initial  
10 distribution, participating municipalities shall certify to  
11 the Department the amounts collected by the municipality for  
12 each month under its home rule occupation and service  
13 occupation tax during the period July 1, 1989 through June 30,  
14 1990. The allocation within 10 days after January 14, 1991,  
15 shall be in an amount equal to the monthly average of these  
16 amounts, excluding the 2 months of highest receipts. The  
17 monthly average for the period of July 1, 1990 through June 30,  
18 1991 will be determined as follows: the amounts collected by  
19 the municipality under its home rule occupation and service  
20 occupation tax during the period of July 1, 1990 through  
21 September 30, 1990, plus amounts collected by the Department  
22 and paid to such municipality through June 30, 1991, excluding  
23 the 2 months of highest receipts. The monthly average for each  
24 subsequent period of July 1 through June 30 shall be an amount  
25 equal to the monthly distribution made to each such  
26 municipality under the preceding paragraph during this period,

1 excluding the 2 months of highest receipts. The distribution  
2 made in November 1991 and each year thereafter under this  
3 paragraph and the preceding paragraph shall be reduced by the  
4 amount allocated and disbursed under this paragraph in the  
5 preceding period of July 1 through June 30. The Department  
6 shall prepare and certify to the Comptroller for disbursement  
7 the allocations made in accordance with this paragraph.

8 For the purpose of determining the local governmental unit  
9 whose tax is applicable, a retail sale by a producer of coal or  
10 other mineral mined in Illinois is a sale at retail at the  
11 place where the coal or other mineral mined in Illinois is  
12 extracted from the earth. This paragraph does not apply to coal  
13 or other mineral when it is delivered or shipped by the seller  
14 to the purchaser at a point outside Illinois so that the sale  
15 is exempt under the United States Constitution as a sale in  
16 interstate or foreign commerce.

17 Notwithstanding any other provision of law, for the purpose  
18 of determining the local governmental unit whose tax is  
19 applicable, a retail sale of fuel used by an aircraft shall be  
20 deemed to be a retail sale at the place where the fuel is  
21 delivered to the aircraft. For the purposes of this paragraph,  
22 "fuel" has the meaning given to that term in Section 1.19 of  
23 the Motor Fuel Tax Law.

24 Nothing in this Section shall be construed to authorize a  
25 municipality to impose a tax upon the privilege of engaging in  
26 any business which under the Constitution of the United States

1 may not be made the subject of taxation by this State.

2 An ordinance or resolution imposing or discontinuing a tax  
3 hereunder or effecting a change in the rate thereof shall be  
4 adopted and a certified copy thereof filed with the Department  
5 on or before the first day of June, whereupon the Department  
6 shall proceed to administer and enforce this Section as of the  
7 first day of September next following the adoption and filing.  
8 Beginning January 1, 1992, an ordinance or resolution imposing  
9 or discontinuing the tax hereunder or effecting a change in the  
10 rate thereof shall be adopted and a certified copy thereof  
11 filed with the Department on or before the first day of July,  
12 whereupon the Department shall proceed to administer and  
13 enforce this Section as of the first day of October next  
14 following such adoption and filing. Beginning January 1, 1993,  
15 an ordinance or resolution imposing or discontinuing the tax  
16 hereunder or effecting a change in the rate thereof shall be  
17 adopted and a certified copy thereof filed with the Department  
18 on or before the first day of October, whereupon the Department  
19 shall proceed to administer and enforce this Section as of the  
20 first day of January next following the adoption and filing.  
21 However, a municipality located in a county with a population  
22 in excess of 3,000,000 that elected to become a home rule unit  
23 at the general primary election in 1994 may adopt an ordinance  
24 or resolution imposing the tax under this Section and file a  
25 certified copy of the ordinance or resolution with the  
26 Department on or before July 1, 1994. The Department shall then

1 proceed to administer and enforce this Section as of October 1,  
2 1994. Beginning April 1, 1998, an ordinance or resolution  
3 imposing or discontinuing the tax hereunder or effecting a  
4 change in the rate thereof shall either (i) be adopted and a  
5 certified copy thereof filed with the Department on or before  
6 the first day of April, whereupon the Department shall proceed  
7 to administer and enforce this Section as of the first day of  
8 July next following the adoption and filing; or (ii) be adopted  
9 and a certified copy thereof filed with the Department on or  
10 before the first day of October, whereupon the Department shall  
11 proceed to administer and enforce this Section as of the first  
12 day of January next following the adoption and filing.

13 When certifying the amount of a monthly disbursement to a  
14 municipality under this Section, the Department shall increase  
15 or decrease the amount by an amount necessary to offset any  
16 misallocation of previous disbursements. The offset amount  
17 shall be the amount erroneously disbursed within the previous 6  
18 months from the time a misallocation is discovered.

19 Any unobligated balance remaining in the Municipal  
20 Retailers' Occupation Tax Fund on December 31, 1989, which fund  
21 was abolished by Public Act 85-1135, and all receipts of  
22 municipal tax as a result of audits of liability periods prior  
23 to January 1, 1990, shall be paid into the Local Government Tax  
24 Fund for distribution as provided by this Section prior to the  
25 enactment of Public Act 85-1135. All receipts of municipal tax  
26 as a result of an assessment not arising from an audit, for

1 liability periods prior to January 1, 1990, shall be paid into  
2 the Local Government Tax Fund for distribution before July 1,  
3 1990, as provided by this Section prior to the enactment of  
4 Public Act 85-1135; and on and after July 1, 1990, all such  
5 receipts shall be distributed as provided in Section 6z-18 of  
6 the State Finance Act.

7 As used in this Section, "municipal" and "municipality"  
8 means a city, village or incorporated town, including an  
9 incorporated town that has superseded a civil township.

10 This Section shall be known and may be cited as the Home  
11 Rule Municipal Retailers' Occupation Tax Act.

12 (Source: P.A. 99-217, eff. 7-31-15.)

13 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

14 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'  
15 Occupation Tax Act. The corporate authorities of a non-home  
16 rule municipality may impose a tax upon all persons engaged in  
17 the business of selling tangible personal property, other than  
18 on an item of tangible personal property which is titled and  
19 registered by an agency of this State's Government, at retail  
20 in the municipality for expenditure on public infrastructure or  
21 for property tax relief or both as defined in Section 8-11-1.2  
22 if approved by referendum as provided in Section 8-11-1.1, of  
23 the gross receipts from such sales made in the course of such  
24 business. If the tax is approved by referendum on or after July  
25 14, 2010 (the effective date of Public Act 96-1057), the

1 corporate authorities of a non-home rule municipality may,  
2 until December 31, 2020, use the proceeds of the tax for  
3 expenditure on municipal operations, in addition to or in lieu  
4 of any expenditure on public infrastructure or for property tax  
5 relief. The tax imposed may not be more than 1% and may be  
6 imposed only in 1/4% increments. The tax may not be imposed on  
7 the sale of food for human consumption that is to be consumed  
8 off the premises where it is sold (other than alcoholic  
9 beverages, soft drinks, and food that has been prepared for  
10 immediate consumption) and prescription and nonprescription  
11 medicines, drugs, medical appliances, and insulin, urine  
12 testing materials, syringes, and needles used by diabetics. The  
13 tax imposed by a municipality pursuant to this Section and all  
14 civil penalties that may be assessed as an incident thereof  
15 shall be collected and enforced by the State Department of  
16 Revenue. The certificate of registration which is issued by the  
17 Department to a retailer under the Retailers' Occupation Tax  
18 Act shall permit such retailer to engage in a business which is  
19 taxable under any ordinance or resolution enacted pursuant to  
20 this Section without registering separately with the  
21 Department under such ordinance or resolution or under this  
22 Section. The Department shall have full power to administer and  
23 enforce this Section; to collect all taxes and penalties due  
24 hereunder; to dispose of taxes and penalties so collected in  
25 the manner hereinafter provided, and to determine all rights to  
26 credit memoranda, arising on account of the erroneous payment

1 of tax or penalty hereunder. In the administration of, and  
2 compliance with, this Section, the Department and persons who  
3 are subject to this Section shall have the same rights,  
4 remedies, privileges, immunities, powers and duties, and be  
5 subject to the same conditions, restrictions, limitations,  
6 penalties and definitions of terms, and employ the same modes  
7 of procedure, as are prescribed in Sections 1, 1a, 1a-1, 1d,  
8 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
9 therein other than the State rate of tax), 2c, 3 (except as to  
10 the disposition of taxes and penalties collected), 4, 5, 5a,  
11 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
12 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act  
13 and Section 3-7 of the Uniform Penalty and Interest Act as  
14 fully as if those provisions were set forth herein.

15 No municipality may impose a tax under this Section unless  
16 the municipality also imposes a tax at the same rate under  
17 Section 8-11-1.4 of this Code.

18 Persons subject to any tax imposed pursuant to the  
19 authority granted in this Section may reimburse themselves for  
20 their seller's tax liability hereunder by separately stating  
21 such tax as an additional charge, which charge may be stated in  
22 combination, in a single amount, with State tax which sellers  
23 are required to collect under the Use Tax Act, pursuant to such  
24 bracket schedules as the Department may prescribe.

25 Whenever the Department determines that a refund should be  
26 made under this Section to a claimant instead of issuing a



1 credit memorandum, the Department shall notify the State  
2 Comptroller, who shall cause the order to be drawn for the  
3 amount specified, and to the person named, in such notification  
4 from the Department. Such refund shall be paid by the State  
5 Treasurer out of the non-home rule municipal retailers'  
6 occupation tax fund.

7 The Department shall forthwith pay over to the State  
8 Treasurer, ex officio, as trustee, all taxes and penalties  
9 collected hereunder.

10 As soon as possible after the first day of each month,  
11 beginning January 1, 2011, upon certification of the Department  
12 of Revenue, the Comptroller shall order transferred, and the  
13 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
14 local sales tax increment, as defined in the Innovation  
15 Development and Economy Act, collected under this Section  
16 during the second preceding calendar month for sales within a  
17 STAR bond district.

18 After the monthly transfer to the STAR Bonds Revenue Fund,  
19 on or before the 25th day of each calendar month, the  
20 Department shall prepare and certify to the Comptroller the  
21 disbursement of stated sums of money to named municipalities,  
22 the municipalities to be those from which retailers have paid  
23 taxes or penalties hereunder to the Department during the  
24 second preceding calendar month. The amount to be paid to each  
25 municipality shall be the amount (not including credit  
26 memoranda) collected hereunder during the second preceding

1 calendar month by the Department plus an amount the Department  
2 determines is necessary to offset any amounts which were  
3 erroneously paid to a different taxing body, and not including  
4 an amount equal to the amount of refunds made during the second  
5 preceding calendar month by the Department on behalf of such  
6 municipality, and not including any amount which the Department  
7 determines is necessary to offset any amounts which were  
8 payable to a different taxing body but were erroneously paid to  
9 the municipality, and not including any amounts that are  
10 transferred to the STAR Bonds Revenue Fund. Within 10 days  
11 after receipt, by the Comptroller, of the disbursement  
12 certification to the municipalities, provided for in this  
13 Section to be given to the Comptroller by the Department, the  
14 Comptroller shall cause the orders to be drawn for the  
15 respective amounts in accordance with the directions contained  
16 in such certification.

17 For the purpose of determining the local governmental unit  
18 whose tax is applicable, a retail sale, by a producer of coal  
19 or other mineral mined in Illinois, is a sale at retail at the  
20 place where the coal or other mineral mined in Illinois is  
21 extracted from the earth. This paragraph does not apply to coal  
22 or other mineral when it is delivered or shipped by the seller  
23 to the purchaser at a point outside Illinois so that the sale  
24 is exempt under the Federal Constitution as a sale in  
25 interstate or foreign commerce.

26 Notwithstanding any other provision of law, for the purpose

1 of determining the local governmental unit whose tax is  
2 applicable, a retail sale of fuel used by an aircraft shall be  
3 deemed to be a retail sale at the place where the fuel is  
4 delivered to the aircraft. For the purposes of this paragraph,  
5 "fuel" has the meaning given to that term in Section 1.19 of  
6 the Motor Fuel Tax Law.

7       Nothing in this Section shall be construed to authorize a  
8 municipality to impose a tax upon the privilege of engaging in  
9 any business which under the constitution of the United States  
10 may not be made the subject of taxation by this State.

11       When certifying the amount of a monthly disbursement to a  
12 municipality under this Section, the Department shall increase  
13 or decrease such amount by an amount necessary to offset any  
14 misallocation of previous disbursements. The offset amount  
15 shall be the amount erroneously disbursed within the previous 6  
16 months from the time a misallocation is discovered.

17       The Department of Revenue shall implement this amendatory  
18 Act of the 91st General Assembly so as to collect the tax on  
19 and after January 1, 2002.

20       As used in this Section, "municipal" and "municipality"  
21 means a city, village or incorporated town, including an  
22 incorporated town which has superseded a civil township.

23       This Section shall be known and may be cited as the  
24 "Non-Home Rule Municipal Retailers' Occupation Tax Act".

25 (Source: P.A. 99-217, eff. 7-31-15.)

1 (65 ILCS 5/8-11-1.6)

2 Sec. 8-11-1.6. Non-home rule municipal retailers  
3 occupation tax; municipalities between 20,000 and 25,000. The  
4 corporate authorities of a non-home rule municipality with a  
5 population of more than 20,000 but less than 25,000 that has,  
6 prior to January 1, 1987, established a Redevelopment Project  
7 Area that has been certified as a State Sales Tax Boundary and  
8 has issued bonds or otherwise incurred indebtedness to pay for  
9 costs in excess of \$5,000,000, which is secured in part by a  
10 tax increment allocation fund, in accordance with the  
11 provisions of Division 11-74.4 of this Code may, by passage of  
12 an ordinance, impose a tax upon all persons engaged in the  
13 business of selling tangible personal property, other than on  
14 an item of tangible personal property that is titled and  
15 registered by an agency of this State's Government, at retail  
16 in the municipality. This tax may not be imposed on the sales  
17 of food for human consumption that is to be consumed off the  
18 premises where it is sold (other than alcoholic beverages, soft  
19 drinks, and food that has been prepared for immediate  
20 consumption) and prescription and nonprescription medicines,  
21 drugs, medical appliances and insulin, urine testing  
22 materials, syringes, and needles used by diabetics. If imposed,  
23 the tax shall only be imposed in .25% increments of the gross  
24 receipts from such sales made in the course of business. Any  
25 tax imposed by a municipality under this Section and all civil  
26 penalties that may be assessed as an incident thereof shall be

1 collected and enforced by the State Department of Revenue. An  
2 ordinance imposing a tax hereunder or effecting a change in the  
3 rate thereof shall be adopted and a certified copy thereof  
4 filed with the Department on or before the first day of  
5 October, whereupon the Department shall proceed to administer  
6 and enforce this Section as of the first day of January next  
7 following such adoption and filing. The certificate of  
8 registration that is issued by the Department to a retailer  
9 under the Retailers' Occupation Tax Act shall permit the  
10 retailer to engage in a business that is taxable under any  
11 ordinance or resolution enacted under this Section without  
12 registering separately with the Department under the ordinance  
13 or resolution or under this Section. The Department shall have  
14 full power to administer and enforce this Section, to collect  
15 all taxes and penalties due hereunder, to dispose of taxes and  
16 penalties so collected in the manner hereinafter provided, and  
17 to determine all rights to credit memoranda, arising on account  
18 of the erroneous payment of tax or penalty hereunder. In the  
19 administration of, and compliance with this Section, the  
20 Department and persons who are subject to this Section shall  
21 have the same rights, remedies, privileges, immunities,  
22 powers, and duties, and be subject to the same conditions,  
23 restrictions, limitations, penalties, and definitions of  
24 terms, and employ the same modes of procedure, as are  
25 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 2  
26 through 2-65 (in respect to all provisions therein other than

1 the State rate of tax), 2c, 3 (except as to the disposition of  
2 taxes and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f,  
3 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12  
4 and 13 of the Retailers' Occupation Tax Act and Section 3-7 of  
5 the Uniform Penalty and Interest Act as fully as if those  
6 provisions were set forth herein.

7 A tax may not be imposed by a municipality under this  
8 Section unless the municipality also imposes a tax at the same  
9 rate under Section 8-11-1.7 of this Act.

10 Persons subject to any tax imposed under the authority  
11 granted in this Section, may reimburse themselves for their  
12 seller's tax liability hereunder by separately stating the tax  
13 as an additional charge, which charge may be stated in  
14 combination, in a single amount, with State tax which sellers  
15 are required to collect under the Use Tax Act, pursuant to such  
16 bracket schedules as the Department may prescribe.

17 Whenever the Department determines that a refund should be  
18 made under this Section to a claimant, instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the Non-Home Rule Municipal Retailers'  
24 Occupation Tax Fund, which is hereby created.

25 The Department shall forthwith pay over to the State  
26 Treasurer, ex officio, as trustee, all taxes and penalties

1 collected hereunder.

2 As soon as possible after the first day of each month,  
3 beginning January 1, 2011, upon certification of the Department  
4 of Revenue, the Comptroller shall order transferred, and the  
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
6 local sales tax increment, as defined in the Innovation  
7 Development and Economy Act, collected under this Section  
8 during the second preceding calendar month for sales within a  
9 STAR bond district.

10 After the monthly transfer to the STAR Bonds Revenue Fund,  
11 on or before the 25th day of each calendar month, the  
12 Department shall prepare and certify to the Comptroller the  
13 disbursement of stated sums of money to named municipalities,  
14 the municipalities to be those from which retailers have paid  
15 taxes or penalties hereunder to the Department during the  
16 second preceding calendar month. The amount to be paid to each  
17 municipality shall be the amount (not including credit  
18 memoranda) collected hereunder during the second preceding  
19 calendar month by the Department plus an amount the Department  
20 determines is necessary to offset any amounts that were  
21 erroneously paid to a different taxing body, and not including  
22 an amount equal to the amount of refunds made during the second  
23 preceding calendar month by the Department on behalf of the  
24 municipality, and not including any amount that the Department  
25 determines is necessary to offset any amounts that were payable  
26 to a different taxing body but were erroneously paid to the

1 municipality, and not including any amounts that are  
2 transferred to the STAR Bonds Revenue Fund. Within 10 days  
3 after receipt by the Comptroller of the disbursement  
4 certification to the municipalities provided for in this  
5 Section to be given to the Comptroller by the Department, the  
6 Comptroller shall cause the orders to be drawn for the  
7 respective amounts in accordance with the directions contained  
8 in the certification.

9 For the purpose of determining the local governmental unit  
10 whose tax is applicable, a retail sale by a producer of coal or  
11 other mineral mined in Illinois is a sale at retail at the  
12 place where the coal or other mineral mined in Illinois is  
13 extracted from the earth. This paragraph does not apply to coal  
14 or other mineral when it is delivered or shipped by the seller  
15 to the purchaser at a point outside Illinois so that the sale  
16 is exempt under the federal Constitution as a sale in  
17 interstate or foreign commerce.

18 Notwithstanding any other provision of law, for the purpose  
19 of determining the local governmental unit whose tax is  
20 applicable, a retail sale of fuel used by an aircraft shall be  
21 deemed to be a retail sale at the place where the fuel is  
22 delivered to the aircraft. For the purposes of this paragraph,  
23 "fuel" has the meaning given to that term in Section 1.19 of  
24 the Motor Fuel Tax Law.

25 Nothing in this Section shall be construed to authorize a  
26 municipality to impose a tax upon the privilege of engaging in



1 any business which under the constitution of the United States  
2 may not be made the subject of taxation by this State.

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

9 As used in this Section, "municipal" and "municipality"  
10 means a city, village, or incorporated town, including an  
11 incorporated town that has superseded a civil township.

12 (Source: P.A. 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

13 (65 ILCS 5/11-74.3-6)

14 Sec. 11-74.3-6. Business district revenue and obligations;  
15 business district tax allocation fund.

16 (a) If the corporate authorities of a municipality have  
17 approved a business district plan, have designated a business  
18 district, and have elected to impose a tax by ordinance  
19 pursuant to subsection (10) or (11) of Section 11-74.3-3, then  
20 each year after the date of the approval of the ordinance but  
21 terminating upon the date all business district project costs  
22 and all obligations paying or reimbursing business district  
23 project costs, if any, have been paid, but in no event later  
24 than the dissolution date, all amounts generated by the  
25 retailers' occupation tax and service occupation tax shall be

1 collected and the tax shall be enforced by the Department of  
2 Revenue in the same manner as all retailers' occupation taxes  
3 and service occupation taxes imposed in the municipality  
4 imposing the tax and all amounts generated by the hotel  
5 operators' occupation tax shall be collected and the tax shall  
6 be enforced by the municipality in the same manner as all hotel  
7 operators' occupation taxes imposed in the municipality  
8 imposing the tax. The corporate authorities of the municipality  
9 shall deposit the proceeds of the taxes imposed under  
10 subsections (10) and (11) of Section 11-74.3-3 into a special  
11 fund of the municipality called the "[Name of] Business  
12 District Tax Allocation Fund" for the purpose of paying or  
13 reimbursing business district project costs and obligations  
14 incurred in the payment of those costs.

15 (b) The corporate authorities of a municipality that has  
16 designated a business district under this Law may, by  
17 ordinance, impose a Business District Retailers' Occupation  
18 Tax upon all persons engaged in the business of selling  
19 tangible personal property, other than an item of tangible  
20 personal property titled or registered with an agency of this  
21 State's government, at retail in the business district at a  
22 rate not to exceed 1% of the gross receipts from the sales made  
23 in the course of such business, to be imposed only in 0.25%  
24 increments. The tax may not be imposed on food for human  
25 consumption that is to be consumed off the premises where it is  
26 sold (other than alcoholic beverages, soft drinks, and food

1 that has been prepared for immediate consumption),  
2 prescription and nonprescription medicines, drugs, medical  
3 appliances, modifications to a motor vehicle for the purpose of  
4 rendering it usable by a person with a disability, and insulin,  
5 urine testing materials, syringes, and needles used by  
6 diabetics, for human use.

7 The tax imposed under this subsection and all civil  
8 penalties that may be assessed as an incident thereof shall be  
9 collected and enforced by the Department of Revenue. The  
10 certificate of registration that is issued by the Department to  
11 a retailer under the Retailers' Occupation Tax Act shall permit  
12 the retailer to engage in a business that is taxable under any  
13 ordinance or resolution enacted pursuant to this subsection  
14 without registering separately with the Department under such  
15 ordinance or resolution or under this subsection. The  
16 Department of Revenue shall have full power to administer and  
17 enforce this subsection; to collect all taxes and penalties due  
18 under this subsection in the manner hereinafter provided; and  
19 to determine all rights to credit memoranda arising on account  
20 of the erroneous payment of tax or penalty under this  
21 subsection. In the administration of, and compliance with, this  
22 subsection, the Department and persons who are subject to this  
23 subsection shall have the same rights, remedies, privileges,  
24 immunities, powers and duties, and be subject to the same  
25 conditions, restrictions, limitations, penalties, exclusions,  
26 exemptions, and definitions of terms and employ the same modes

1 of procedure, as are prescribed in Sections 1, 1a through 1o, 2  
2 through 2-65 (in respect to all provisions therein other than  
3 the State rate of tax), 2c through 2h, 3 (except as to the  
4 disposition of taxes and penalties collected), 4, 5, 5a, 5c,  
5 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11,  
6 12, 13, and 14 of the Retailers' Occupation Tax Act and all  
7 provisions of the Uniform Penalty and Interest Act, as fully as  
8 if those provisions were set forth herein.

9 Persons subject to any tax imposed under this subsection  
10 may reimburse themselves for their seller's tax liability under  
11 this subsection by separately stating the tax as an additional  
12 charge, which charge may be stated in combination, in a single  
13 amount, with State taxes that sellers are required to collect  
14 under the Use Tax Act, in accordance with such bracket  
15 schedules as the Department may prescribe.

16 Whenever the Department determines that a refund should be  
17 made under this subsection to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified and to the person named in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the business district retailers' occupation  
23 tax fund.

24 The Department shall immediately pay over to the State  
25 Treasurer, ex officio, as trustee, all taxes, penalties, and  
26 interest collected under this subsection for deposit into the

1 business district retailers' occupation tax fund.

2 As soon as possible after the first day of each month,  
3 beginning January 1, 2011, upon certification of the Department  
4 of Revenue, the Comptroller shall order transferred, and the  
5 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
6 local sales tax increment, as defined in the Innovation  
7 Development and Economy Act, collected under this subsection  
8 during the second preceding calendar month for sales within a  
9 STAR bond district.

10 After the monthly transfer to the STAR Bonds Revenue Fund,  
11 on or before the 25th day of each calendar month, the  
12 Department shall prepare and certify to the Comptroller the  
13 disbursement of stated sums of money to named municipalities  
14 from the business district retailers' occupation tax fund, the  
15 municipalities to be those from which retailers have paid taxes  
16 or penalties under this subsection to the Department during the  
17 second preceding calendar month. The amount to be paid to each  
18 municipality shall be the amount (not including credit  
19 memoranda) collected under this subsection during the second  
20 preceding calendar month by the Department plus an amount the  
21 Department determines is necessary to offset any amounts that  
22 were erroneously paid to a different taxing body, and not  
23 including an amount equal to the amount of refunds made during  
24 the second preceding calendar month by the Department, less 2%  
25 of that amount, which shall be deposited into the Tax  
26 Compliance and Administration Fund and shall be used by the

1 Department, subject to appropriation, to cover the costs of the  
2 Department in administering and enforcing the provisions of  
3 this subsection, on behalf of such municipality, and not  
4 including any amount that the Department determines is  
5 necessary to offset any amounts that were payable to a  
6 different taxing body but were erroneously paid to the  
7 municipality, and not including any amounts that are  
8 transferred to the STAR Bonds Revenue Fund. Within 10 days  
9 after receipt by the Comptroller of the disbursement  
10 certification to the municipalities provided for in this  
11 subsection to be given to the Comptroller by the Department,  
12 the Comptroller shall cause the orders to be drawn for the  
13 respective amounts in accordance with the directions contained  
14 in the certification. The proceeds of the tax paid to  
15 municipalities under this subsection shall be deposited into  
16 the Business District Tax Allocation Fund by the municipality.

17 An ordinance imposing or discontinuing the tax under this  
18 subsection or effecting a change in the rate thereof shall  
19 either (i) be adopted and a certified copy thereof filed with  
20 the Department on or before the first day of April, whereupon  
21 the Department, if all other requirements of this subsection  
22 are met, shall proceed to administer and enforce this  
23 subsection as of the first day of July next following the  
24 adoption and filing; or (ii) be adopted and a certified copy  
25 thereof filed with the Department on or before the first day of  
26 October, whereupon, if all other requirements of this

1 subsection are met, the Department shall proceed to administer  
2 and enforce this subsection as of the first day of January next  
3 following the adoption and filing.

4 The Department of Revenue shall not administer or enforce  
5 an ordinance imposing, discontinuing, or changing the rate of  
6 the tax under this subsection, until the municipality also  
7 provides, in the manner prescribed by the Department, the  
8 boundaries of the business district and each address in the  
9 business district in such a way that the Department can  
10 determine by its address whether a business is located in the  
11 business district. The municipality must provide this boundary  
12 and address information to the Department on or before April 1  
13 for administration and enforcement of the tax under this  
14 subsection by the Department beginning on the following July 1  
15 and on or before October 1 for administration and enforcement  
16 of the tax under this subsection by the Department beginning on  
17 the following January 1. The Department of Revenue shall not  
18 administer or enforce any change made to the boundaries of a  
19 business district or address change, addition, or deletion  
20 until the municipality reports the boundary change or address  
21 change, addition, or deletion to the Department in the manner  
22 prescribed by the Department. The municipality must provide  
23 this boundary change information or address change, addition,  
24 or deletion to the Department on or before April 1 for  
25 administration and enforcement by the Department of the change  
26 beginning on the following July 1 and on or before October 1

1 for administration and enforcement by the Department of the  
2 change beginning on the following January 1. The retailers in  
3 the business district shall be responsible for charging the tax  
4 imposed under this subsection. If a retailer is incorrectly  
5 included or excluded from the list of those required to collect  
6 the tax under this subsection, both the Department of Revenue  
7 and the retailer shall be held harmless if they reasonably  
8 relied on information provided by the municipality.

9 A municipality that imposes the tax under this subsection  
10 must submit to the Department of Revenue any other information  
11 as the Department may require for the administration and  
12 enforcement of the tax.

13 When certifying the amount of a monthly disbursement to a  
14 municipality under this subsection, the Department shall  
15 increase or decrease the amount by an amount necessary to  
16 offset any misallocation of previous disbursements. The offset  
17 amount shall be the amount erroneously disbursed within the  
18 previous 6 months from the time a misallocation is discovered.

19 Nothing in this subsection shall be construed to authorize  
20 the municipality to impose a tax upon the privilege of engaging  
21 in any business which under the Constitution of the United  
22 States may not be made the subject of taxation by this State.

23 If a tax is imposed under this subsection (b), a tax shall  
24 also be imposed under subsection (c) of this Section.

25 (c) If a tax has been imposed under subsection (b), a  
26 Business District Service Occupation Tax shall also be imposed



1 upon all persons engaged, in the business district, in the  
2 business of making sales of service, who, as an incident to  
3 making those sales of service, transfer tangible personal  
4 property within the business district, either in the form of  
5 tangible personal property or in the form of real estate as an  
6 incident to a sale of service. The tax shall be imposed at the  
7 same rate as the tax imposed in subsection (b) and shall not  
8 exceed 1% of the selling price of tangible personal property so  
9 transferred within the business district, to be imposed only in  
10 0.25% increments. The tax may not be imposed on food for human  
11 consumption that is to be consumed off the premises where it is  
12 sold (other than alcoholic beverages, soft drinks, and food  
13 that has been prepared for immediate consumption),  
14 prescription and nonprescription medicines, drugs, medical  
15 appliances, modifications to a motor vehicle for the purpose of  
16 rendering it usable by a person with a disability, and insulin,  
17 urine testing materials, syringes, and needles used by  
18 diabetics, for human use.

19 The tax imposed under this subsection and all civil  
20 penalties that may be assessed as an incident thereof shall be  
21 collected and enforced by the Department of Revenue. The  
22 certificate of registration which is issued by the Department  
23 to a retailer under the Retailers' Occupation Tax Act or under  
24 the Service Occupation Tax Act shall permit such registrant to  
25 engage in a business which is taxable under any ordinance or  
26 resolution enacted pursuant to this subsection without

1 registering separately with the Department under such  
2 ordinance or resolution or under this subsection. The  
3 Department of Revenue shall have full power to administer and  
4 enforce this subsection; to collect all taxes and penalties due  
5 under this subsection; to dispose of taxes and penalties so  
6 collected in the manner hereinafter provided; and to determine  
7 all rights to credit memoranda arising on account of the  
8 erroneous payment of tax or penalty under this subsection. In  
9 the administration of, and compliance with this subsection, the  
10 Department and persons who are subject to this subsection shall  
11 have the same rights, remedies, privileges, immunities, powers  
12 and duties, and be subject to the same conditions,  
13 restrictions, limitations, penalties, exclusions, exemptions,  
14 and definitions of terms and employ the same modes of procedure  
15 as are prescribed in Sections 2, 2a through 2d, 3 through 3-50  
16 (in respect to all provisions therein other than the State rate  
17 of tax), 4 (except that the reference to the State shall be to  
18 the business district), 5, 7, 8 (except that the jurisdiction  
19 to which the tax shall be a debt to the extent indicated in  
20 that Section 8 shall be the municipality), 9 (except as to the  
21 disposition of taxes and penalties collected, and except that  
22 the returned merchandise credit for this tax may not be taken  
23 against any State tax), 10, 11, 12 (except the reference  
24 therein to Section 2b of the Retailers' Occupation Tax Act), 13  
25 (except that any reference to the State shall mean the  
26 municipality), the first paragraph of Section 15, and Sections

1 16, 17, 18, 19 and 20 of the Service Occupation Tax Act and all  
2 provisions of the Uniform Penalty and Interest Act, as fully as  
3 if those provisions were set forth herein.

4 Persons subject to any tax imposed under the authority  
5 granted in this subsection may reimburse themselves for their  
6 serviceman's tax liability hereunder by separately stating the  
7 tax as an additional charge, which charge may be stated in  
8 combination, in a single amount, with State tax that servicemen  
9 are authorized to collect under the Service Use Tax Act, in  
10 accordance with such bracket schedules as the Department may  
11 prescribe.

12 Whenever the Department determines that a refund should be  
13 made under this subsection to a claimant instead of issuing  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the order to be drawn for the  
16 amount specified, and to the person named, in such notification  
17 from the Department. Such refund shall be paid by the State  
18 Treasurer out of the business district retailers' occupation  
19 tax fund.

20 The Department shall forthwith pay over to the State  
21 Treasurer, ex-officio, as trustee, all taxes, penalties, and  
22 interest collected under this subsection for deposit into the  
23 business district retailers' occupation tax fund.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this subsection  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,  
7 on or before the 25th day of each calendar month, the  
8 Department shall prepare and certify to the Comptroller the  
9 disbursement of stated sums of money to named municipalities  
10 from the business district retailers' occupation tax fund, the  
11 municipalities to be those from which suppliers and servicemen  
12 have paid taxes or penalties under this subsection to the  
13 Department during the second preceding calendar month. The  
14 amount to be paid to each municipality shall be the amount (not  
15 including credit memoranda) collected under this subsection  
16 during the second preceding calendar month by the Department,  
17 less 2% of that amount, which shall be deposited into the Tax  
18 Compliance and Administration Fund and shall be used by the  
19 Department, subject to appropriation, to cover the costs of the  
20 Department in administering and enforcing the provisions of  
21 this subsection, and not including an amount equal to the  
22 amount of refunds made during the second preceding calendar  
23 month by the Department on behalf of such municipality, and not  
24 including any amounts that are transferred to the STAR Bonds  
25 Revenue Fund. Within 10 days after receipt, by the Comptroller,  
26 of the disbursement certification to the municipalities,

1 provided for in this subsection to be given to the Comptroller  
2 by the Department, the Comptroller shall cause the orders to be  
3 drawn for the respective amounts in accordance with the  
4 directions contained in such certification. The proceeds of the  
5 tax paid to municipalities under this subsection shall be  
6 deposited into the Business District Tax Allocation Fund by the  
7 municipality.

8 An ordinance imposing or discontinuing the tax under this  
9 subsection or effecting a change in the rate thereof shall  
10 either (i) be adopted and a certified copy thereof filed with  
11 the Department on or before the first day of April, whereupon  
12 the Department, if all other requirements of this subsection  
13 are met, shall proceed to administer and enforce this  
14 subsection as of the first day of July next following the  
15 adoption and filing; or (ii) be adopted and a certified copy  
16 thereof filed with the Department on or before the first day of  
17 October, whereupon, if all other conditions of this subsection  
18 are met, the Department shall proceed to administer and enforce  
19 this subsection as of the first day of January next following  
20 the adoption and filing.

21 The Department of Revenue shall not administer or enforce  
22 an ordinance imposing, discontinuing, or changing the rate of  
23 the tax under this subsection, until the municipality also  
24 provides, in the manner prescribed by the Department, the  
25 boundaries of the business district in such a way that the  
26 Department can determine by its address whether a business is

1 located in the business district. The municipality must provide  
2 this boundary and address information to the Department on or  
3 before April 1 for administration and enforcement of the tax  
4 under this subsection by the Department beginning on the  
5 following July 1 and on or before October 1 for administration  
6 and enforcement of the tax under this subsection by the  
7 Department beginning on the following January 1. The Department  
8 of Revenue shall not administer or enforce any change made to  
9 the boundaries of a business district or address change,  
10 addition, or deletion until the municipality reports the  
11 boundary change or address change, addition, or deletion to the  
12 Department in the manner prescribed by the Department. The  
13 municipality must provide this boundary change information or  
14 address change, addition, or deletion to the Department on or  
15 before April 1 for administration and enforcement by the  
16 Department of the change beginning on the following July 1 and  
17 on or before October 1 for administration and enforcement by  
18 the Department of the change beginning on the following January  
19 1. The retailers in the business district shall be responsible  
20 for charging the tax imposed under this subsection. If a  
21 retailer is incorrectly included or excluded from the list of  
22 those required to collect the tax under this subsection, both  
23 the Department of Revenue and the retailer shall be held  
24 harmless if they reasonably relied on information provided by  
25 the municipality.

26 A municipality that imposes the tax under this subsection

1 must submit to the Department of Revenue any other information  
2 as the Department may require for the administration and  
3 enforcement of the tax.

4 Nothing in this subsection shall be construed to authorize  
5 the municipality to impose a tax upon the privilege of engaging  
6 in any business which under the Constitution of the United  
7 States may not be made the subject of taxation by the State.

8 If a tax is imposed under this subsection (c), a tax shall  
9 also be imposed under subsection (b) of this Section.

10 (c-5) Notwithstanding any other provision of law, for the  
11 purpose of determining whether the taxes under subsections (a),  
12 (b), and (c) apply, a retail sale of fuel used by an aircraft  
13 shall be deemed to be a retail sale at the place where the fuel  
14 is delivered to the aircraft. For the purposes of this  
15 paragraph, "fuel" has the meaning given to that term in Section  
16 1.19 of the Motor Fuel Tax Law.

17 (d) By ordinance, a municipality that has designated a  
18 business district under this Law may impose an occupation tax  
19 upon all persons engaged in the business district in the  
20 business of renting, leasing, or letting rooms in a hotel, as  
21 defined in the Hotel Operators' Occupation Tax Act, at a rate  
22 not to exceed 1% of the gross rental receipts from the renting,  
23 leasing, or letting of hotel rooms within the business  
24 district, to be imposed only in 0.25% increments, excluding,  
25 however, from gross rental receipts the proceeds of renting,  
26 leasing, or letting to permanent residents of a hotel, as

1 defined in the Hotel Operators' Occupation Tax Act, and  
2 proceeds from the tax imposed under subsection (c) of Section  
3 13 of the Metropolitan Pier and Exposition Authority Act.

4 The tax imposed by the municipality under this subsection  
5 and all civil penalties that may be assessed as an incident to  
6 that tax shall be collected and enforced by the municipality  
7 imposing the tax. The municipality shall have full power to  
8 administer and enforce this subsection, to collect all taxes  
9 and penalties due under this subsection, to dispose of taxes  
10 and penalties so collected in the manner provided in this  
11 subsection, and to determine all rights to credit memoranda  
12 arising on account of the erroneous payment of tax or penalty  
13 under this subsection. In the administration of and compliance  
14 with this subsection, the municipality and persons who are  
15 subject to this subsection shall have the same rights,  
16 remedies, privileges, immunities, powers, and duties, shall be  
17 subject to the same conditions, restrictions, limitations,  
18 penalties, and definitions of terms, and shall employ the same  
19 modes of procedure as are employed with respect to a tax  
20 adopted by the municipality under Section 8-3-14 of this Code.

21 Persons subject to any tax imposed under the authority  
22 granted in this subsection may reimburse themselves for their  
23 tax liability for that tax by separately stating that tax as an  
24 additional charge, which charge may be stated in combination,  
25 in a single amount, with State taxes imposed under the Hotel  
26 Operators' Occupation Tax Act, and with any other tax.



1           Nothing in this subsection shall be construed to authorize  
2 a municipality to impose a tax upon the privilege of engaging  
3 in any business which under the Constitution of the United  
4 States may not be made the subject of taxation by this State.

5           The proceeds of the tax imposed under this subsection shall  
6 be deposited into the Business District Tax Allocation Fund.

7           (e) Obligations secured by the Business District Tax  
8 Allocation Fund may be issued to provide for the payment or  
9 reimbursement of business district project costs. Those  
10 obligations, when so issued, shall be retired in the manner  
11 provided in the ordinance authorizing the issuance of those  
12 obligations by the receipts of taxes imposed pursuant to  
13 subsections (10) and (11) of Section 11-74.3-3 and by other  
14 revenue designated or pledged by the municipality. A  
15 municipality may in the ordinance pledge, for any period of  
16 time up to and including the dissolution date, all or any part  
17 of the funds in and to be deposited in the Business District  
18 Tax Allocation Fund to the payment of business district project  
19 costs and obligations. Whenever a municipality pledges all of  
20 the funds to the credit of a business district tax allocation  
21 fund to secure obligations issued or to be issued to pay or  
22 reimburse business district project costs, the municipality  
23 may specifically provide that funds remaining to the credit of  
24 such business district tax allocation fund after the payment of  
25 such obligations shall be accounted for annually and shall be  
26 deemed to be "surplus" funds, and such "surplus" funds shall be

1 expended by the municipality for any business district project  
2 cost as approved in the business district plan. Whenever a  
3 municipality pledges less than all of the monies to the credit  
4 of a business district tax allocation fund to secure  
5 obligations issued or to be issued to pay or reimburse business  
6 district project costs, the municipality shall provide that  
7 monies to the credit of the business district tax allocation  
8 fund and not subject to such pledge or otherwise encumbered or  
9 required for payment of contractual obligations for specific  
10 business district project costs shall be calculated annually  
11 and shall be deemed to be "surplus" funds, and such "surplus"  
12 funds shall be expended by the municipality for any business  
13 district project cost as approved in the business district  
14 plan.

15 No obligation issued pursuant to this Law and secured by a  
16 pledge of all or any portion of any revenues received or to be  
17 received by the municipality from the imposition of taxes  
18 pursuant to subsection (10) of Section 11-74.3-3, shall be  
19 deemed to constitute an economic incentive agreement under  
20 Section 8-11-20, notwithstanding the fact that such pledge  
21 provides for the sharing, rebate, or payment of retailers'  
22 occupation taxes or service occupation taxes imposed pursuant  
23 to subsection (10) of Section 11-74.3-3 and received or to be  
24 received by the municipality from the development or  
25 redevelopment of properties in the business district.

26 Without limiting the foregoing in this Section, the

1 municipality may further secure obligations secured by the  
2 business district tax allocation fund with a pledge, for a  
3 period not greater than the term of the obligations and in any  
4 case not longer than the dissolution date, of any part or any  
5 combination of the following: (i) net revenues of all or part  
6 of any business district project; (ii) taxes levied or imposed  
7 by the municipality on any or all property in the municipality,  
8 including, specifically, taxes levied or imposed by the  
9 municipality in a special service area pursuant to the Special  
10 Service Area Tax Law; (iii) the full faith and credit of the  
11 municipality; (iv) a mortgage on part or all of the business  
12 district project; or (v) any other taxes or anticipated  
13 receipts that the municipality may lawfully pledge.

14 Such obligations may be issued in one or more series, bear  
15 such date or dates, become due at such time or times as therein  
16 provided, but in any case not later than (i) 20 years after the  
17 date of issue or (ii) the dissolution date, whichever is  
18 earlier, bear interest payable at such intervals and at such  
19 rate or rates as set forth therein, except as may be limited by  
20 applicable law, which rate or rates may be fixed or variable,  
21 be in such denominations, be in such form, either coupon,  
22 registered, or book-entry, carry such conversion, registration  
23 and exchange privileges, be subject to defeasance upon such  
24 terms, have such rank or priority, be executed in such manner,  
25 be payable in such medium or payment at such place or places  
26 within or without the State, make provision for a corporate

1 trustee within or without the State with respect to such  
2 obligations, prescribe the rights, powers, and duties thereof  
3 to be exercised for the benefit of the municipality and the  
4 benefit of the owners of such obligations, provide for the  
5 holding in trust, investment, and use of moneys, funds, and  
6 accounts held under an ordinance, provide for assignment of and  
7 direct payment of the moneys to pay such obligations or to be  
8 deposited into such funds or accounts directly to such trustee,  
9 be subject to such terms of redemption with or without premium,  
10 and be sold at such price, all as the corporate authorities  
11 shall determine. No referendum approval of the electors shall  
12 be required as a condition to the issuance of obligations  
13 pursuant to this Law except as provided in this Section.

14 In the event the municipality authorizes the issuance of  
15 obligations pursuant to the authority of this Law secured by  
16 the full faith and credit of the municipality, or pledges ad  
17 valorem taxes pursuant to this subsection, which obligations  
18 are other than obligations which may be issued under home rule  
19 powers provided by Section 6 of Article VII of the Illinois  
20 Constitution or which ad valorem taxes are other than ad  
21 valorem taxes which may be pledged under home rule powers  
22 provided by Section 6 of Article VII of the Illinois  
23 Constitution or which are levied in a special service area  
24 pursuant to the Special Service Area Tax Law, the ordinance  
25 authorizing the issuance of those obligations or pledging those  
26 taxes shall be published within 10 days after the ordinance has

1 been adopted, in a newspaper having a general circulation  
2 within the municipality. The publication of the ordinance shall  
3 be accompanied by a notice of (i) the specific number of voters  
4 required to sign a petition requesting the question of the  
5 issuance of the obligations or pledging such ad valorem taxes  
6 to be submitted to the electors; (ii) the time within which the  
7 petition must be filed; and (iii) the date of the prospective  
8 referendum. The municipal clerk shall provide a petition form  
9 to any individual requesting one.

10 If no petition is filed with the municipal clerk, as  
11 hereinafter provided in this Section, within 21 days after the  
12 publication of the ordinance, the ordinance shall be in effect.  
13 However, if within that 21-day period a petition is filed with  
14 the municipal clerk, signed by electors numbering not less than  
15 15% of the number of electors voting for the mayor or president  
16 at the last general municipal election, asking that the  
17 question of issuing obligations using full faith and credit of  
18 the municipality as security for the cost of paying or  
19 reimbursing business district project costs, or of pledging  
20 such ad valorem taxes for the payment of those obligations, or  
21 both, be submitted to the electors of the municipality, the  
22 municipality shall not be authorized to issue obligations of  
23 the municipality using the full faith and credit of the  
24 municipality as security or pledging such ad valorem taxes for  
25 the payment of those obligations, or both, until the  
26 proposition has been submitted to and approved by a majority of

1 the voters voting on the proposition at a regularly scheduled  
2 election. The municipality shall certify the proposition to the  
3 proper election authorities for submission in accordance with  
4 the general election law.

5 The ordinance authorizing the obligations may provide that  
6 the obligations shall contain a recital that they are issued  
7 pursuant to this Law, which recital shall be conclusive  
8 evidence of their validity and of the regularity of their  
9 issuance.

10 In the event the municipality authorizes issuance of  
11 obligations pursuant to this Law secured by the full faith and  
12 credit of the municipality, the ordinance authorizing the  
13 obligations may provide for the levy and collection of a direct  
14 annual tax upon all taxable property within the municipality  
15 sufficient to pay the principal thereof and interest thereon as  
16 it matures, which levy may be in addition to and exclusive of  
17 the maximum of all other taxes authorized to be levied by the  
18 municipality, which levy, however, shall be abated to the  
19 extent that monies from other sources are available for payment  
20 of the obligations and the municipality certifies the amount of  
21 those monies available to the county clerk.

22 A certified copy of the ordinance shall be filed with the  
23 county clerk of each county in which any portion of the  
24 municipality is situated, and shall constitute the authority  
25 for the extension and collection of the taxes to be deposited  
26 in the business district tax allocation fund.

1           A municipality may also issue its obligations to refund, in  
2 whole or in part, obligations theretofore issued by the  
3 municipality under the authority of this Law, whether at or  
4 prior to maturity. However, the last maturity of the refunding  
5 obligations shall not be expressed to mature later than the  
6 dissolution date.

7           In the event a municipality issues obligations under home  
8 rule powers or other legislative authority, the proceeds of  
9 which are pledged to pay or reimburse business district project  
10 costs, the municipality may, if it has followed the procedures  
11 in conformance with this Law, retire those obligations from  
12 funds in the business district tax allocation fund in amounts  
13 and in such manner as if those obligations had been issued  
14 pursuant to the provisions of this Law.

15           No obligations issued pursuant to this Law shall be  
16 regarded as indebtedness of the municipality issuing those  
17 obligations or any other taxing district for the purpose of any  
18 limitation imposed by law.

19           Obligations issued pursuant to this Law shall not be  
20 subject to the provisions of the Bond Authorization Act.

21           (f) When business district project costs, including,  
22 without limitation, all obligations paying or reimbursing  
23 business district project costs have been paid, any surplus  
24 funds then remaining in the Business District Tax Allocation  
25 Fund shall be distributed to the municipal treasurer for  
26 deposit into the general corporate fund of the municipality.

1 Upon payment of all business district project costs and  
2 retirement of all obligations paying or reimbursing business  
3 district project costs, but in no event more than 23 years  
4 after the date of adoption of the ordinance imposing taxes  
5 pursuant to subsection (10) or (11) of Section 11-74.3-3, the  
6 municipality shall adopt an ordinance immediately rescinding  
7 the taxes imposed pursuant to subsection (10) or (11) of  
8 Section 11-74.3-3.

9 (Source: P.A. 99-143, eff. 7-27-15.)

10 Section 25. The Civic Center Code is amended by changing  
11 Section 245-12 as follows:

12 (70 ILCS 200/245-12)

13 Sec. 245-12. Use and occupation taxes.

14 (a) The Authority may adopt a resolution that authorizes a  
15 referendum on the question of whether the Authority shall be  
16 authorized to impose a retailers' occupation tax, a service  
17 occupation tax, and a use tax in one-quarter percent increments  
18 at a rate not to exceed 1%. The Authority shall certify the  
19 question to the proper election authorities who shall submit  
20 the question to the voters of the metropolitan area at the next  
21 regularly scheduled election in accordance with the general  
22 election law. The question shall be in substantially the  
23 following form:

24 "Shall the Salem Civic Center Authority be authorized to



1           impose a retailers' occupation tax, a service occupation  
2           tax, and a use tax at the rate of (rate) for the sole  
3           purpose of obtaining funds for the support, construction,  
4           maintenance, or financing of a facility of the Authority?"

5           Votes shall be recorded as "yes" or "no". If a majority of  
6           all votes cast on the proposition are in favor of the  
7           proposition, the Authority is authorized to impose the tax.

8           (b) The Authority shall impose the retailers' occupation  
9           tax upon all persons engaged in the business of selling  
10          tangible personal property at retail in the metropolitan area,  
11          at the rate approved by referendum, on the gross receipts from  
12          the sales made in the course of such business within the  
13          metropolitan area. The tax imposed under this Section and all  
14          civil penalties that may be assessed as an incident thereof  
15          shall be collected and enforced by the Department of Revenue.  
16          The Department has full power to administer and enforce this  
17          Section; to collect all taxes and penalties so collected in the  
18          manner provided in this Section; and to determine all rights to  
19          credit memoranda arising on account of the erroneous payment of  
20          tax or penalty hereunder. In the administration of, and  
21          compliance with, this Section, the Department and persons who  
22          are subject to this Section shall (i) have the same rights,  
23          remedies, privileges, immunities, powers and duties, (ii) be  
24          subject to the same conditions, restrictions, limitations,  
25          penalties, exclusions, exemptions, and definitions of terms,  
26          and (iii) employ the same modes of procedure as are prescribed

1 in Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 1k, 1m, 1n, 2,  
2 2-5, 2-5.5, 2-10 (in respect to all provisions therein other  
3 than the State rate of tax), 2-12, 2-15 through 2-70, 2a, 2b,  
4 2c, 3 (except as to the disposition of taxes and penalties  
5 collected and provisions related to quarter monthly payments),  
6 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c,  
7 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
8 Tax Act and Section 3-7 of the Uniform Penalty and Interest  
9 Act, as fully as if those provisions were set forth in this  
10 subsection.

11 Persons subject to any tax imposed under this subsection  
12 may reimburse themselves for their seller's tax liability by  
13 separately stating the tax as an additional charge, which  
14 charge may be stated in combination, in a single amount, with  
15 State taxes that sellers are required to collect, in accordance  
16 with such bracket schedules as the Department may prescribe.

17 Whenever the Department determines that a refund should be  
18 made under this subsection to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the warrant to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the tax fund referenced under paragraph (g) of  
24 this Section.

25 If a tax is imposed under this subsection (b), a tax shall  
26 also be imposed at the same rate under subsections (c) and (d)

1 of this Section.

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

11 Notwithstanding any other provision of law, for the purpose  
12 of determining whether a tax authorized under this Section is  
13 applicable, a retail sale of fuel used by an aircraft shall be  
14 deemed to be a retail sale at the place where the fuel is  
15 delivered to the aircraft. For the purposes of this paragraph,  
16 "fuel" has the meaning given to that term in Section 1.19 of  
17 the Motor Fuel Tax Law.

18 Nothing in this Section shall be construed to authorize the  
19 Authority to impose a tax upon the privilege of engaging in any  
20 business which under the Constitution of the United States may  
21 not be made the subject of taxation by this State.

22 (c) If a tax has been imposed under subsection (b), a  
23 service occupation tax shall also be imposed at the same rate  
24 upon all persons engaged, in the metropolitan area, in the  
25 business of making sales of service, who, as an incident to  
26 making those sales of service, transfer tangible personal

1 property within the metropolitan area as an incident to a sale  
2 of service. The tax imposed under this subsection and all civil  
3 penalties that may be assessed as an incident thereof shall be  
4 collected and enforced by the Department of Revenue. The  
5 Department has full power to administer and enforce this  
6 paragraph; to collect all taxes and penalties due hereunder; to  
7 dispose of taxes and penalties so collected in the manner  
8 hereinafter provided; and to determine all rights to credit  
9 memoranda arising on account of the erroneous payment of tax or  
10 penalty hereunder. In the administration of, and compliance  
11 with this paragraph, the Department and persons who are subject  
12 to this paragraph shall (i) have the same rights, remedies,  
13 privileges, immunities, powers, and duties, (ii) be subject to  
14 the same conditions, restrictions, limitations, penalties,  
15 exclusions, exemptions, and definitions of terms, and (iii)  
16 employ the same modes of procedure as are prescribed in  
17 Sections 2 (except that the reference to State in the  
18 definition of supplier maintaining a place of business in this  
19 State shall mean the metropolitan area), 2a, 2b, 3 through 3-55  
20 (in respect to all provisions therein other than the State rate  
21 of tax), 4 (except that the reference to the State shall be to  
22 the Authority), 5, 7, 8 (except that the jurisdiction to which  
23 the tax shall be a debt to the extent indicated in that Section  
24 8 shall be the Authority), 9 (except as to the disposition of  
25 taxes and penalties collected, and except that the returned  
26 merchandise credit for this tax may not be taken against any

1 State tax), 11, 12 (except the reference therein to Section 2b  
2 of the Retailers' Occupation Tax Act), 13 (except that any  
3 reference to the State shall mean the Authority), 15, 16, 17,  
4 18, 19 and 20 of the Service Occupation Tax Act and Section 3-7  
5 of the Uniform Penalty and Interest Act, as fully as if those  
6 provisions were set forth herein.

7 Persons subject to any tax imposed under the authority  
8 granted in this subsection may reimburse themselves for their  
9 serviceman's tax liability by separately stating the tax as an  
10 additional charge, which charge may be stated in combination,  
11 in a single amount, with State tax that servicemen are  
12 authorized to collect under the Service Use Tax Act, in  
13 accordance with such bracket schedules as the Department may  
14 prescribe.

15 Whenever the Department determines that a refund should be  
16 made under this subsection to a claimant instead of issuing a  
17 credit memorandum, the Department shall notify the State  
18 Comptroller, who shall cause the warrant to be drawn for the  
19 amount specified, and to the person named, in the notification  
20 from the Department. The refund shall be paid by the State  
21 Treasurer out of the tax fund referenced under paragraph (g) of  
22 this Section.

23 Nothing in this paragraph shall be construed to authorize  
24 the Authority to impose a tax upon the privilege of engaging in  
25 any business which under the Constitution of the United States  
26 may not be made the subject of taxation by the State.

1           (d) If a tax has been imposed under subsection (b), a use  
2 tax shall also be imposed at the same rate upon the privilege  
3 of using, in the metropolitan area, any item of tangible  
4 personal property that is purchased outside the metropolitan  
5 area at retail from a retailer, and that is titled or  
6 registered at a location within the metropolitan area with an  
7 agency of this State's government. "Selling price" is defined  
8 as in the Use Tax Act. The tax shall be collected from persons  
9 whose Illinois address for titling or registration purposes is  
10 given as being in the metropolitan area. The tax shall be  
11 collected by the Department of Revenue for the Authority. The  
12 tax must be paid to the State, or an exemption determination  
13 must be obtained from the Department of Revenue, before the  
14 title or certificate of registration for the property may be  
15 issued. The tax or proof of exemption may be transmitted to the  
16 Department by way of the State agency with which, or the State  
17 officer with whom, the tangible personal property must be  
18 titled or registered if the Department and the State agency or  
19 State officer determine that this procedure will expedite the  
20 processing of applications for title or registration.

21           The Department has full power to administer and enforce  
22 this paragraph; to collect all taxes, penalties and interest  
23 due hereunder; to dispose of taxes, penalties and interest so  
24 collected in the manner hereinafter provided; and to determine  
25 all rights to credit memoranda or refunds arising on account of  
26 the erroneous payment of tax, penalty or interest hereunder. In

1 the administration of, and compliance with, this subsection,  
2 the Department and persons who are subject to this paragraph  
3 shall (i) have the same rights, remedies, privileges,  
4 immunities, powers, and duties, (ii) be subject to the same  
5 conditions, restrictions, limitations, penalties, exclusions,  
6 exemptions, and definitions of terms, and (iii) employ the same  
7 modes of procedure as are prescribed in Sections 2 (except the  
8 definition of "retailer maintaining a place of business in this  
9 State"), 3, 3-5, 3-10, 3-45, 3-55, 3-65, 3-70, 3-85, 3a, 4, 6,  
10 7, 8 (except that the jurisdiction to which the tax shall be a  
11 debt to the extent indicated in that Section 8 shall be the  
12 Authority), 9 (except provisions relating to quarter monthly  
13 payments), 10, 11, 12, 12a, 12b, 13, 14, 15, 19, 20, 21, and 22  
14 of the Use Tax Act and Section 3-7 of the Uniform Penalty and  
15 Interest Act, that are not inconsistent with this paragraph, as  
16 fully as if those provisions were set forth herein.

17 Whenever the Department determines that a refund should be  
18 made under this subsection to a claimant instead of issuing a  
19 credit memorandum, the Department shall notify the State  
20 Comptroller, who shall cause the order to be drawn for the  
21 amount specified, and to the person named, in the notification  
22 from the Department. The refund shall be paid by the State  
23 Treasurer out of the tax fund referenced under paragraph (g) of  
24 this Section.

25 (e) A certificate of registration issued by the State  
26 Department of Revenue to a retailer under the Retailers'

1 Occupation Tax Act or under the Service Occupation Tax Act  
2 shall permit the registrant to engage in a business that is  
3 taxed under the tax imposed under paragraphs (b), (c), or (d)  
4 of this Section and no additional registration shall be  
5 required. A certificate issued under the Use Tax Act or the  
6 Service Use Tax Act shall be applicable with regard to any tax  
7 imposed under paragraph (c) of this Section.

8 (f) The results of any election authorizing a proposition  
9 to impose a tax under this Section or effecting a change in the  
10 rate of tax shall be certified by the proper election  
11 authorities and filed with the Illinois Department on or before  
12 the first day of April. In addition, an ordinance imposing,  
13 discontinuing, or effecting a change in the rate of tax under  
14 this Section shall be adopted and a certified copy thereof  
15 filed with the Department on or before the first day of April.  
16 After proper receipt of such certifications, the Department  
17 shall proceed to administer and enforce this Section as of the  
18 first day of July next following such adoption and filing.

19 (g) The Department of Revenue shall, upon collecting any  
20 taxes and penalties as provided in this Section, pay the taxes  
21 and penalties over to the State Treasurer as trustee for the  
22 Authority. The taxes and penalties shall be held in a trust  
23 fund outside the State Treasury. On or before the 25th day of  
24 each calendar month, the Department of Revenue shall prepare  
25 and certify to the Comptroller of the State of Illinois the  
26 amount to be paid to the Authority, which shall be the balance



1 in the fund, less any amount determined by the Department to be  
2 necessary for the payment of refunds. Within 10 days after  
3 receipt by the Comptroller of the certification of the amount  
4 to be paid to the Authority, the Comptroller shall cause an  
5 order to be drawn for payment for the amount in accordance with  
6 the directions contained in the certification. Amounts  
7 received from the tax imposed under this Section shall be used  
8 only for the support, construction, maintenance, or financing  
9 of a facility of the Authority.

10 (h) When certifying the amount of a monthly disbursement to  
11 the Authority under this Section, the Department shall increase  
12 or decrease the amounts by an amount necessary to offset any  
13 miscalculation of previous disbursements. The offset amount  
14 shall be the amount erroneously disbursed within the previous 6  
15 months from the time a miscalculation is discovered.

16 (i) This Section may be cited as the Salem Civic Center Use  
17 and Occupation Tax Law.

18 (Source: P.A. 98-1098, eff. 8-26-14.)

19 Section 30. The Flood Prevention District Act is amended by  
20 changing Section 25 as follows:

21 (70 ILCS 750/25)

22 Sec. 25. Flood prevention retailers' and service  
23 occupation taxes.

24 (a) If the Board of Commissioners of a flood prevention

1 district determines that an emergency situation exists  
2 regarding levee repair or flood prevention, and upon an  
3 ordinance confirming the determination adopted by the  
4 affirmative vote of a majority of the members of the county  
5 board of the county in which the district is situated, the  
6 county may impose a flood prevention retailers' occupation tax  
7 upon all persons engaged in the business of selling tangible  
8 personal property at retail within the territory of the  
9 district to provide revenue to pay the costs of providing  
10 emergency levee repair and flood prevention and to secure the  
11 payment of bonds, notes, and other evidences of indebtedness  
12 issued under this Act for a period not to exceed 25 years or as  
13 required to repay the bonds, notes, and other evidences of  
14 indebtedness issued under this Act. The tax rate shall be 0.25%  
15 of the gross receipts from all taxable sales made in the course  
16 of that business. The tax imposed under this Section and all  
17 civil penalties that may be assessed as an incident thereof  
18 shall be collected and enforced by the State Department of  
19 Revenue. The Department shall have full power to administer and  
20 enforce this Section; to collect all taxes and penalties so  
21 collected in the manner hereinafter provided; and to determine  
22 all rights to credit memoranda arising on account of the  
23 erroneous payment of tax or penalty hereunder.

24 In the administration of and compliance with this  
25 subsection, the Department and persons who are subject to this  
26 subsection (i) have the same rights, remedies, privileges,

1 immunities, powers, and duties, (ii) are subject to the same  
2 conditions, restrictions, limitations, penalties, and  
3 definitions of terms, and (iii) shall employ the same modes of  
4 procedure as are set forth in Sections 1 through 1o, 2 through  
5 2-70 (in respect to all provisions contained in those Sections  
6 other than the State rate of tax), 2a through 2h, 3 (except as  
7 to the disposition of taxes and penalties collected), 4, 5, 5a,  
8 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9,  
9 10, 11, 11a, 12, and 13 of the Retailers' Occupation Tax Act  
10 and all provisions of the Uniform Penalty and Interest Act as  
11 if those provisions were set forth in this subsection.

12 Persons subject to any tax imposed under this Section may  
13 reimburse themselves for their seller's tax liability  
14 hereunder by separately stating the tax as an additional  
15 charge, which charge may be stated in combination in a single  
16 amount with State taxes that sellers are required to collect  
17 under the Use Tax Act, under any bracket schedules the  
18 Department may prescribe.

19 If a tax is imposed under this subsection (a), a tax shall  
20 also be imposed under subsection (b) of this Section.

21 (b) If a tax has been imposed under subsection (a), a flood  
22 prevention service occupation tax shall also be imposed upon  
23 all persons engaged within the territory of the district in the  
24 business of making sales of service, who, as an incident to  
25 making the sales of service, transfer tangible personal  
26 property, either in the form of tangible personal property or

1 in the form of real estate as an incident to a sale of service  
2 to provide revenue to pay the costs of providing emergency  
3 levee repair and flood prevention and to secure the payment of  
4 bonds, notes, and other evidences of indebtedness issued under  
5 this Act for a period not to exceed 25 years or as required to  
6 repay the bonds, notes, and other evidences of indebtedness.  
7 The tax rate shall be 0.25% of the selling price of all  
8 tangible personal property transferred.

9 The tax imposed under this subsection and all civil  
10 penalties that may be assessed as an incident thereof shall be  
11 collected and enforced by the State Department of Revenue. The  
12 Department shall have full power to administer and enforce this  
13 subsection; to collect all taxes and penalties due hereunder;  
14 to dispose of taxes and penalties collected in the manner  
15 hereinafter provided; and to determine all rights to credit  
16 memoranda arising on account of the erroneous payment of tax or  
17 penalty hereunder.

18 In the administration of and compliance with this  
19 subsection, the Department and persons who are subject to this  
20 subsection shall (i) have the same rights, remedies,  
21 privileges, immunities, powers, and duties, (ii) be subject to  
22 the same conditions, restrictions, limitations, penalties, and  
23 definitions of terms, and (iii) employ the same modes of  
24 procedure as are set forth in Sections 2 (except that the  
25 reference to State in the definition of supplier maintaining a  
26 place of business in this State means the district), 2a through

1 2d, 3 through 3-50 (in respect to all provisions contained in  
2 those Sections other than the State rate of tax), 4 (except  
3 that the reference to the State shall be to the district), 5,  
4 7, 8 (except that the jurisdiction to which the tax is a debt  
5 to the extent indicated in that Section 8 is the district), 9  
6 (except as to the disposition of taxes and penalties  
7 collected), 10, 11, 12 (except the reference therein to Section  
8 2b of the Retailers' Occupation Tax Act), 13 (except that any  
9 reference to the State means the district), Section 15, 16, 17,  
10 18, 19, and 20 of the Service Occupation Tax Act and all  
11 provisions of the Uniform Penalty and Interest Act, as fully as  
12 if those provisions were set forth herein.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 serviceman's tax liability hereunder by separately stating the  
16 tax as an additional charge, that charge may be stated in  
17 combination in a single amount with State tax that servicemen  
18 are authorized to collect under the Service Use Tax Act, under  
19 any bracket schedules the Department may prescribe.

20 (c) The taxes imposed in subsections (a) and (b) may not be  
21 imposed on personal property titled or registered with an  
22 agency of the State; food for human consumption that is to be  
23 consumed off the premises where it is sold (other than  
24 alcoholic beverages, soft drinks, and food that has been  
25 prepared for immediate consumption); prescription and  
26 non-prescription medicines, drugs, and medical appliances;

1 modifications to a motor vehicle for the purpose of rendering  
2 it usable by a person with a disability; or insulin, urine  
3 testing materials, and syringes and needles used by diabetics.

4 (c-5) Notwithstanding any other provision of law, for the  
5 purpose of determining whether a tax authorized under this  
6 Section is applicable, a retail sale of fuel used by an  
7 aircraft shall be deemed to be a retail sale at the place where  
8 the fuel is delivered to the aircraft. For the purposes of this  
9 paragraph, "fuel" has the meaning given to that term in Section  
10 1.19 of the Motor Fuel Tax Law.

11 (d) Nothing in this Section shall be construed to authorize  
12 the district to impose a tax upon the privilege of engaging in  
13 any business that under the Constitution of the United States  
14 may not be made the subject of taxation by the State.

15 (e) The certificate of registration that is issued by the  
16 Department to a retailer under the Retailers' Occupation Tax  
17 Act or a serviceman under the Service Occupation Tax Act  
18 permits the retailer or serviceman to engage in a business that  
19 is taxable without registering separately with the Department  
20 under an ordinance or resolution under this Section.

21 (f) The Department shall immediately pay over to the State  
22 Treasurer, ex officio, as trustee, all taxes and penalties  
23 collected under this Section to be deposited into the Flood  
24 Prevention Occupation Tax Fund, which shall be an  
25 unappropriated trust fund held outside the State treasury.

26 On or before the 25th day of each calendar month, the

1 Department shall prepare and certify to the Comptroller the  
2 disbursement of stated sums of money to the counties from which  
3 retailers or servicemen have paid taxes or penalties to the  
4 Department during the second preceding calendar month. The  
5 amount to be paid to each county is equal to the amount (not  
6 including credit memoranda) collected from the county under  
7 this Section during the second preceding calendar month by the  
8 Department, (i) less 2% of that amount, which shall be  
9 deposited into the Tax Compliance and Administration Fund and  
10 shall be used by the Department in administering and enforcing  
11 the provisions of this Section on behalf of the county, (ii)  
12 plus an amount that the Department determines is necessary to  
13 offset any amounts that were erroneously paid to a different  
14 taxing body; (iii) less an amount equal to the amount of  
15 refunds made during the second preceding calendar month by the  
16 Department on behalf of the county; and (iv) less any amount  
17 that the Department determines is necessary to offset any  
18 amounts that were payable to a different taxing body but were  
19 erroneously paid to the county. When certifying the amount of a  
20 monthly disbursement to a county under this Section, the  
21 Department shall increase or decrease the amounts by an amount  
22 necessary to offset any miscalculation of previous  
23 disbursements within the previous 6 months from the time a  
24 miscalculation is discovered.

25       Within 10 days after receipt by the Comptroller from the  
26 Department of the disbursement certification to the counties

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

4 If the Department determines that a refund should be made  
5 under this Section to a claimant instead of issuing a credit  
6 memorandum, then the Department shall notify the Comptroller,  
7 who shall cause the order to be drawn for the amount specified  
8 and to the person named in the notification from the  
9 Department. The refund shall be paid by the Treasurer out of  
10 the Flood Prevention Occupation Tax Fund.

11 (g) If a county imposes a tax under this Section, then the  
12 county board shall, by ordinance, discontinue the tax upon the  
13 payment of all indebtedness of the flood prevention district.  
14 The tax shall not be discontinued until all indebtedness of the  
15 District has been paid.

16 (h) Any ordinance imposing the tax under this Section, or  
17 any ordinance that discontinues the tax, must be certified by  
18 the county clerk and filed with the Illinois Department of  
19 Revenue either (i) on or before the first day of April,  
20 whereupon the Department shall proceed to administer and  
21 enforce the tax or change in the rate as of the first day of  
22 July next following the filing; or (ii) on or before the first  
23 day of October, whereupon the Department shall proceed to  
24 administer and enforce the tax or change in the rate as of the  
25 first day of January next following the filing.

26 (j) County Flood Prevention Occupation Tax Fund. All



1 proceeds received by a county from a tax distribution under  
2 this Section must be maintained in a special fund known as the  
3 [name of county] flood prevention occupation tax fund. The  
4 county shall, at the direction of the flood prevention  
5 district, use moneys in the fund to pay the costs of providing  
6 emergency levee repair and flood prevention and to pay bonds,  
7 notes, and other evidences of indebtedness issued under this  
8 Act.

9 (k) This Section may be cited as the Flood Prevention  
10 Occupation Tax Law.

11 (Source: P.A. 99-143, eff. 7-27-15; 99-217, eff. 7-31-15;  
12 99-642, eff. 7-28-16.)

13 Section 35. The Metro-East Park and Recreation District Act  
14 is amended by changing Section 30 as follows:

15 (70 ILCS 1605/30)

16 Sec. 30. Taxes.

17 (a) The board shall impose a tax upon all persons engaged  
18 in the business of selling tangible personal property, other  
19 than personal property titled or registered with an agency of  
20 this State's government, at retail in the District on the gross  
21 receipts from the sales made in the course of business. This  
22 tax shall be imposed only at the rate of one-tenth of one per  
23 cent.

24 This additional tax may not be imposed on the sales of food

1 for human consumption that is to be consumed off the premises  
2 where it is sold (other than alcoholic beverages, soft drinks,  
3 and food which has been prepared for immediate consumption) and  
4 prescription and non-prescription medicines, drugs, medical  
5 appliances, and insulin, urine testing materials, syringes,  
6 and needles used by diabetics. The tax imposed by the Board  
7 under this Section and all civil penalties that may be assessed  
8 as an incident of the tax shall be collected and enforced by  
9 the Department of Revenue. The certificate of registration that  
10 is issued by the Department to a retailer under the Retailers'  
11 Occupation Tax Act shall permit the retailer to engage in a  
12 business that is taxable without registering separately with  
13 the Department under an ordinance or resolution under this  
14 Section. The Department has full power to administer and  
15 enforce this Section, to collect all taxes and penalties due  
16 under this Section, to dispose of taxes and penalties so  
17 collected in the manner provided in this Section, and to  
18 determine all rights to credit memoranda arising on account of  
19 the erroneous payment of a tax or penalty under this Section.  
20 In the administration of and compliance with this Section, the  
21 Department and persons who are subject to this Section shall  
22 (i) have the same rights, remedies, privileges, immunities,  
23 powers, and duties, (ii) be subject to the same conditions,  
24 restrictions, limitations, penalties, and definitions of  
25 terms, and (iii) employ the same modes of procedure as are  
26 prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j, 1k, 1m,

1 1n, 2, 2-5, 2-5.5, 2-10 (in respect to all provisions contained  
2 in those Sections other than the State rate of tax), 2-12, 2-15  
3 through 2-70, 2a, 2b, 2c, 3 (except provisions relating to  
4 transaction returns and quarter monthly payments), 4, 5, 5a,  
5 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
6 7, 8, 9, 10, 11, 11a, 12, and 13 of the Retailers' Occupation  
7 Tax Act and the Uniform Penalty and Interest Act as if those  
8 provisions were set forth in this Section.

9 Persons subject to any tax imposed under the authority  
10 granted in this Section may reimburse themselves for their  
11 sellers' tax liability by separately stating the tax as an  
12 additional charge, which charge may be stated in combination,  
13 in a single amount, with State tax which sellers are required  
14 to collect under the Use Tax Act, pursuant to such bracketed  
15 schedules as the Department may prescribe.

16 Whenever the Department determines that a refund should be  
17 made under this Section to a claimant instead of issuing a  
18 credit memorandum, the Department shall notify the State  
19 Comptroller, who shall cause the order to be drawn for the  
20 amount specified and to the person named in the notification  
21 from the Department. The refund shall be paid by the State  
22 Treasurer out of the State Metro-East Park and Recreation  
23 District Fund.

24 (b) If a tax has been imposed under subsection (a), a  
25 service occupation tax shall also be imposed at the same rate  
26 upon all persons engaged, in the District, in the business of

1 making sales of service, who, as an incident to making those  
2 sales of service, transfer tangible personal property within  
3 the District as an incident to a sale of service. This tax may  
4 not be imposed on sales of food for human consumption that is  
5 to be consumed off the premises where it is sold (other than  
6 alcoholic beverages, soft drinks, and food prepared for  
7 immediate consumption) and prescription and non-prescription  
8 medicines, drugs, medical appliances, and insulin, urine  
9 testing materials, syringes, and needles used by diabetics. The  
10 tax imposed under this subsection and all civil penalties that  
11 may be assessed as an incident thereof shall be collected and  
12 enforced by the Department of Revenue. The Department has full  
13 power to administer and enforce this subsection; to collect all  
14 taxes and penalties due hereunder; to dispose of taxes and  
15 penalties so collected in the manner hereinafter provided; and  
16 to determine all rights to credit memoranda arising on account  
17 of the erroneous payment of tax or penalty hereunder. In the  
18 administration of, and compliance with this subsection, the  
19 Department and persons who are subject to this paragraph shall  
20 (i) have the same rights, remedies, privileges, immunities,  
21 powers, and duties, (ii) be subject to the same conditions,  
22 restrictions, limitations, penalties, exclusions, exemptions,  
23 and definitions of terms, and (iii) employ the same modes of  
24 procedure as are prescribed in Sections 2 (except that the  
25 reference to State in the definition of supplier maintaining a  
26 place of business in this State shall mean the District), 2a,

1 2b, 2c, 3 through 3-50 (in respect to all provisions therein  
2 other than the State rate of tax), 4 (except that the reference  
3 to the State shall be to the District), 5, 7, 8 (except that  
4 the jurisdiction to which the tax shall be a debt to the extent  
5 indicated in that Section 8 shall be the District), 9 (except  
6 as to the disposition of taxes and penalties collected), 10,  
7 11, 12 (except the reference therein to Section 2b of the  
8 Retailers' Occupation Tax Act), 13 (except that any reference  
9 to the State shall mean the District), Sections 15, 16, 17, 18,  
10 19 and 20 of the Service Occupation Tax Act and the Uniform  
11 Penalty and Interest Act, as fully as if those provisions were  
12 set forth herein.

13 Persons subject to any tax imposed under the authority  
14 granted in this subsection may reimburse themselves for their  
15 serviceman's tax liability by separately stating the tax as an  
16 additional charge, which charge may be stated in combination,  
17 in a single amount, with State tax that servicemen are  
18 authorized to collect under the Service Use Tax Act, in  
19 accordance with such bracket schedules as the Department may  
20 prescribe.

21 Whenever the Department determines that a refund should be  
22 made under this subsection to a claimant instead of issuing a  
23 credit memorandum, the Department shall notify the State  
24 Comptroller, who shall cause the warrant to be drawn for the  
25 amount specified, and to the person named, in the notification  
26 from the Department. The refund shall be paid by the State

1 Treasurer out of the State Metro-East Park and Recreation  
2 District Fund.

3 Nothing in this subsection shall be construed to authorize  
4 the board to impose a tax upon the privilege of engaging in any  
5 business which under the Constitution of the United States may  
6 not be made the subject of taxation by the State.

7 (c) The Department shall immediately pay over to the State  
8 Treasurer, ex officio, as trustee, all taxes and penalties  
9 collected under this Section to be deposited into the State  
10 Metro-East Park and Recreation District Fund, which shall be an  
11 unappropriated trust fund held outside of the State treasury.

12 As soon as possible after the first day of each month,  
13 beginning January 1, 2011, upon certification of the Department  
14 of Revenue, the Comptroller shall order transferred, and the  
15 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
16 local sales tax increment, as defined in the Innovation  
17 Development and Economy Act, collected under this Section  
18 during the second preceding calendar month for sales within a  
19 STAR bond district. The Department shall make this  
20 certification only if the Metro East Park and Recreation  
21 District imposes a tax on real property as provided in the  
22 definition of "local sales taxes" under the Innovation  
23 Development and Economy Act.

24 After the monthly transfer to the STAR Bonds Revenue Fund,  
25 on or before the 25th day of each calendar month, the  
26 Department shall prepare and certify to the Comptroller the

1 disbursement of stated sums of money pursuant to Section 35 of  
2 this Act to the District from which retailers have paid taxes  
3 or penalties to the Department during the second preceding  
4 calendar month. The amount to be paid to the District shall be  
5 the amount (not including credit memoranda) collected under  
6 this Section during the second preceding calendar month by the  
7 Department plus an amount the Department determines is  
8 necessary to offset any amounts that were erroneously paid to a  
9 different taxing body, and not including (i) an amount equal to  
10 the amount of refunds made during the second preceding calendar  
11 month by the Department on behalf of the District, (ii) any  
12 amount that the Department determines is necessary to offset  
13 any amounts that were payable to a different taxing body but  
14 were erroneously paid to the District, and (iii) any amounts  
15 that are transferred to the STAR Bonds Revenue Fund. Within 10  
16 days after receipt by the Comptroller of the disbursement  
17 certification to the District provided for in this Section to  
18 be given to the Comptroller by the Department, the Comptroller  
19 shall cause the orders to be drawn for the respective amounts  
20 in accordance with directions contained in the certification.

21 (d) For the purpose of determining whether a tax authorized  
22 under this Section is applicable, a retail sale by a producer  
23 of coal or another mineral mined in Illinois is a sale at  
24 retail at the place where the coal or other mineral mined in  
25 Illinois is extracted from the earth. This paragraph does not  
26 apply to coal or another mineral when it is delivered or

1 shipped by the seller to the purchaser at a point outside  
2 Illinois so that the sale is exempt under the United States  
3 Constitution as a sale in interstate or foreign commerce.

4 Notwithstanding any other provision of law, for the purpose  
5 of determining whether a tax authorized under this Section is  
6 applicable, a retail sale of fuel used by an aircraft shall be  
7 deemed to be a retail sale at the place where the fuel is  
8 delivered to the aircraft. For the purposes of this paragraph,  
9 "fuel" has the meaning given to that term in Section 1.19 of  
10 the Motor Fuel Tax Law.

11 (e) Nothing in this Section shall be construed to authorize  
12 the board to impose a tax upon the privilege of engaging in any  
13 business that under the Constitution of the United States may  
14 not be made the subject of taxation by this State.

15 (f) An ordinance imposing a tax under this Section or an  
16 ordinance extending the imposition of a tax to an additional  
17 county or counties shall be certified by the board and filed  
18 with the Department of Revenue either (i) on or before the  
19 first day of April, whereupon the Department shall proceed to  
20 administer and enforce the tax as of the first day of July next  
21 following the filing; or (ii) on or before the first day of  
22 October, whereupon the Department shall proceed to administer  
23 and enforce the tax as of the first day of January next  
24 following the filing.

25 (g) When certifying the amount of a monthly disbursement to  
26 the District under this Section, the Department shall increase



1 or decrease the amounts by an amount necessary to offset any  
2 misallocation of previous disbursements. The offset amount  
3 shall be the amount erroneously disbursed within the previous 6  
4 months from the time a misallocation is discovered.

5 (Source: P.A. 98-1098, eff. 8-26-14; 99-217, eff. 7-31-15.)

6 Section 40. The Local Mass Transit District Act is amended  
7 by changing Section 5.01 as follows:

8 (70 ILCS 3610/5.01) (from Ch. 111 2/3, par. 355.01)

9 Sec. 5.01. Metro East Mass Transit District; use and  
10 occupation taxes.

11 (a) The Board of Trustees of any Metro East Mass Transit  
12 District may, by ordinance adopted with the concurrence of  
13 two-thirds of the then trustees, impose throughout the District  
14 any or all of the taxes and fees provided in this Section. All  
15 taxes and fees imposed under this Section shall be used only  
16 for public mass transportation systems, and the amount used to  
17 provide mass transit service to unserved areas of the District  
18 shall be in the same proportion to the total proceeds as the  
19 number of persons residing in the unserved areas is to the  
20 total population of the District. Except as otherwise provided  
21 in this Act, taxes imposed under this Section and civil  
22 penalties imposed incident thereto shall be collected and  
23 enforced by the State Department of Revenue. The Department  
24 shall have the power to administer and enforce the taxes and to

1 determine all rights for refunds for erroneous payments of the  
2 taxes.

3 (b) The Board may impose a Metro East Mass Transit District  
4 Retailers' Occupation Tax upon all persons engaged in the  
5 business of selling tangible personal property at retail in the  
6 district at a rate of 1/4 of 1%, or as authorized under  
7 subsection (d-5) of this Section, of the gross receipts from  
8 the sales made in the course of such business within the  
9 district. The tax imposed under this Section and all civil  
10 penalties that may be assessed as an incident thereof shall be  
11 collected and enforced by the State Department of Revenue. The  
12 Department shall have full power to administer and enforce this  
13 Section; to collect all taxes and penalties so collected in the  
14 manner hereinafter provided; and to determine all rights to  
15 credit memoranda arising on account of the erroneous payment of  
16 tax or penalty hereunder. In the administration of, and  
17 compliance with, this Section, the Department and persons who  
18 are subject to this Section shall have the same rights,  
19 remedies, privileges, immunities, powers and duties, and be  
20 subject to the same conditions, restrictions, limitations,  
21 penalties, exclusions, exemptions and definitions of terms and  
22 employ the same modes of procedure, as are prescribed in  
23 Sections 1, 1a, 1a-1, 1c, 1d, 1e, 1f, 1i, 1j, 2 through 2-65  
24 (in respect to all provisions therein other than the State rate  
25 of tax), 2c, 3 (except as to the disposition of taxes and  
26 penalties collected), 4, 5, 5a, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j,

1 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12, 13, and 14 of  
2 the Retailers' Occupation Tax Act and Section 3-7 of the  
3 Uniform Penalty and Interest Act, as fully as if those  
4 provisions were set forth herein.

5 Persons subject to any tax imposed under the Section may  
6 reimburse themselves for their seller's tax liability  
7 hereunder by separately stating the tax as an additional  
8 charge, which charge may be stated in combination, in a single  
9 amount, with State taxes that sellers are required to collect  
10 under the Use Tax Act, in accordance with such bracket  
11 schedules as the Department may prescribe.

12 Whenever the Department determines that a refund should be  
13 made under this Section to a claimant instead of issuing a  
14 credit memorandum, the Department shall notify the State  
15 Comptroller, who shall cause the warrant to be drawn for the  
16 amount specified, and to the person named, in the notification  
17 from the Department. The refund shall be paid by the State  
18 Treasurer out of the Metro East Mass Transit District tax fund  
19 established under paragraph (h) of this Section.

20 If a tax is imposed under this subsection (b), a tax shall  
21 also be imposed under subsections (c) and (d) of this Section.

22 For the purpose of determining whether a tax authorized  
23 under this Section is applicable, a retail sale, by a producer  
24 of coal or other mineral mined in Illinois, is a sale at retail  
25 at the place where the coal or other mineral mined in Illinois  
26 is extracted from the earth. This paragraph does not apply to

1 coal or other mineral when it is delivered or shipped by the  
2 seller to the purchaser at a point outside Illinois so that the  
3 sale is exempt under the Federal Constitution as a sale in  
4 interstate or foreign commerce.

5 Notwithstanding any other provision of law, for the purpose  
6 of determining whether a tax authorized under this Section is  
7 applicable, a retail sale of fuel used by an aircraft shall be  
8 deemed to be a retail sale at the place where the fuel is  
9 delivered to the aircraft. For the purposes of this paragraph,  
10 "fuel" has the meaning given to that term in Section 1.19 of  
11 the Motor Fuel Tax Law.

12 No tax shall be imposed or collected under this subsection  
13 on the sale of a motor vehicle in this State to a resident of  
14 another state if that motor vehicle will not be titled in this  
15 State.

16 Nothing in this Section shall be construed to authorize the  
17 Metro East Mass Transit District to impose a tax upon the  
18 privilege of engaging in any business which under the  
19 Constitution of the United States may not be made the subject  
20 of taxation by this State.

21 (c) If a tax has been imposed under subsection (b), a Metro  
22 East Mass Transit District Service Occupation Tax shall also be  
23 imposed upon all persons engaged, in the district, in the  
24 business of making sales of service, who, as an incident to  
25 making those sales of service, transfer tangible personal  
26 property within the District, either in the form of tangible

1 personal property or in the form of real estate as an incident  
2 to a sale of service. The tax rate shall be 1/4%, or as  
3 authorized under subsection (d-5) of this Section, of the  
4 selling price of tangible personal property so transferred  
5 within the district. The tax imposed under this paragraph and  
6 all civil penalties that may be assessed as an incident thereof  
7 shall be collected and enforced by the State Department of  
8 Revenue. The Department shall have full power to administer and  
9 enforce this paragraph; to collect all taxes and penalties due  
10 hereunder; to dispose of taxes and penalties so collected in  
11 the manner hereinafter provided; and to determine all rights to  
12 credit memoranda arising on account of the erroneous payment of  
13 tax or penalty hereunder. In the administration of, and  
14 compliance with this paragraph, the Department and persons who  
15 are subject to this paragraph shall have the same rights,  
16 remedies, privileges, immunities, powers and duties, and be  
17 subject to the same conditions, restrictions, limitations,  
18 penalties, exclusions, exemptions and definitions of terms and  
19 employ the same modes of procedure as are prescribed in  
20 Sections 1a-1, 2 (except that the reference to State in the  
21 definition of supplier maintaining a place of business in this  
22 State shall mean the Authority), 2a, 3 through 3-50 (in respect  
23 to all provisions therein other than the State rate of tax), 4  
24 (except that the reference to the State shall be to the  
25 Authority), 5, 7, 8 (except that the jurisdiction to which the  
26 tax shall be a debt to the extent indicated in that Section 8

1 shall be the District), 9 (except as to the disposition of  
2 taxes and penalties collected, and except that the returned  
3 merchandise credit for this tax may not be taken against any  
4 State tax), 10, 11, 12 (except the reference therein to Section  
5 2b of the Retailers' Occupation Tax Act), 13 (except that any  
6 reference to the State shall mean the District), the first  
7 paragraph of Section 15, 16, 17, 18, 19 and 20 of the Service  
8 Occupation Tax Act and Section 3-7 of the Uniform Penalty and  
9 Interest Act, as fully as if those provisions were set forth  
10 herein.

11 Persons subject to any tax imposed under the authority  
12 granted in this paragraph may reimburse themselves for their  
13 serviceman's tax liability hereunder by separately stating the  
14 tax as an additional charge, which charge may be stated in  
15 combination, in a single amount, with State tax that servicemen  
16 are authorized to collect under the Service Use Tax Act, in  
17 accordance with such bracket schedules as the Department may  
18 prescribe.

19 Whenever the Department determines that a refund should be  
20 made under this paragraph to a claimant instead of issuing a  
21 credit memorandum, the Department shall notify the State  
22 Comptroller, who shall cause the warrant to be drawn for the  
23 amount specified, and to the person named, in the notification  
24 from the Department. The refund shall be paid by the State  
25 Treasurer out of the Metro East Mass Transit District tax fund  
26 established under paragraph (h) of this Section.

1           Nothing in this paragraph shall be construed to authorize  
2 the District to impose a tax upon the privilege of engaging in  
3 any business which under the Constitution of the United States  
4 may not be made the subject of taxation by the State.

5           (d) If a tax has been imposed under subsection (b), a Metro  
6 East Mass Transit District Use Tax shall also be imposed upon  
7 the privilege of using, in the district, any item of tangible  
8 personal property that is purchased outside the district at  
9 retail from a retailer, and that is titled or registered with  
10 an agency of this State's government, at a rate of 1/4%, or as  
11 authorized under subsection (d-5) of this Section, of the  
12 selling price of the tangible personal property within the  
13 District, as "selling price" is defined in the Use Tax Act. The  
14 tax shall be collected from persons whose Illinois address for  
15 titling or registration purposes is given as being in the  
16 District. The tax shall be collected by the Department of  
17 Revenue for the Metro East Mass Transit District. The tax must  
18 be paid to the State, or an exemption determination must be  
19 obtained from the Department of Revenue, before the title or  
20 certificate of registration for the property may be issued. The  
21 tax or proof of exemption may be transmitted to the Department  
22 by way of the State agency with which, or the State officer  
23 with whom, the tangible personal property must be titled or  
24 registered if the Department and the State agency or State  
25 officer determine that this procedure will expedite the  
26 processing of applications for title or registration.

1           The Department shall have full power to administer and  
2 enforce this paragraph; to collect all taxes, penalties and  
3 interest due hereunder; to dispose of taxes, penalties and  
4 interest so collected in the manner hereinafter provided; and  
5 to determine all rights to credit memoranda or refunds arising  
6 on account of the erroneous payment of tax, penalty or interest  
7 hereunder. In the administration of, and compliance with, this  
8 paragraph, the Department and persons who are subject to this  
9 paragraph shall have the same rights, remedies, privileges,  
10 immunities, powers and duties, and be subject to the same  
11 conditions, restrictions, limitations, penalties, exclusions,  
12 exemptions and definitions of terms and employ the same modes  
13 of procedure, as are prescribed in Sections 2 (except the  
14 definition of "retailer maintaining a place of business in this  
15 State"), 3 through 3-80 (except provisions pertaining to the  
16 State rate of tax, and except provisions concerning collection  
17 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
18 19 (except the portions pertaining to claims by retailers and  
19 except the last paragraph concerning refunds), 20, 21 and 22 of  
20 the Use Tax Act and Section 3-7 of the Uniform Penalty and  
21 Interest Act, that are not inconsistent with this paragraph, as  
22 fully as if those provisions were set forth herein.

23           Whenever the Department determines that a refund should be  
24 made under this paragraph to a claimant instead of issuing a  
25 credit memorandum, the Department shall notify the State  
26 Comptroller, who shall cause the order to be drawn for the



1 amount specified, and to the person named, in the notification  
2 from the Department. The refund shall be paid by the State  
3 Treasurer out of the Metro East Mass Transit District tax fund  
4 established under paragraph (h) of this Section.

5 (d-5) (A) The county board of any county participating in  
6 the Metro East Mass Transit District may authorize, by  
7 ordinance, a referendum on the question of whether the tax  
8 rates for the Metro East Mass Transit District Retailers'  
9 Occupation Tax, the Metro East Mass Transit District Service  
10 Occupation Tax, and the Metro East Mass Transit District Use  
11 Tax for the District should be increased from 0.25% to 0.75%.  
12 Upon adopting the ordinance, the county board shall certify the  
13 proposition to the proper election officials who shall submit  
14 the proposition to the voters of the District at the next  
15 election, in accordance with the general election law.

16 The proposition shall be in substantially the following  
17 form:

18 Shall the tax rates for the Metro East Mass Transit  
19 District Retailers' Occupation Tax, the Metro East Mass  
20 Transit District Service Occupation Tax, and the Metro East  
21 Mass Transit District Use Tax be increased from 0.25% to  
22 0.75%?

23 (B) Two thousand five hundred electors of any Metro East  
24 Mass Transit District may petition the Chief Judge of the  
25 Circuit Court, or any judge of that Circuit designated by the  
26 Chief Judge, in which that District is located to cause to be

1 submitted to a vote of the electors the question whether the  
2 tax rates for the Metro East Mass Transit District Retailers'  
3 Occupation Tax, the Metro East Mass Transit District Service  
4 Occupation Tax, and the Metro East Mass Transit District Use  
5 Tax for the District should be increased from 0.25% to 0.75%.

6 Upon submission of such petition the court shall set a date  
7 not less than 10 nor more than 30 days thereafter for a hearing  
8 on the sufficiency thereof. Notice of the filing of such  
9 petition and of such date shall be given in writing to the  
10 District and the County Clerk at least 7 days before the date  
11 of such hearing.

12 If such petition is found sufficient, the court shall enter  
13 an order to submit that proposition at the next election, in  
14 accordance with general election law.

15 The form of the petition shall be in substantially the  
16 following form: To the Circuit Court of the County of (name of  
17 county):

18 We, the undersigned electors of the (name of transit  
19 district), respectfully petition your honor to submit to a  
20 vote of the electors of (name of transit district) the  
21 following proposition:

22 Shall the tax rates for the Metro East Mass Transit  
23 District Retailers' Occupation Tax, the Metro East Mass  
24 Transit District Service Occupation Tax, and the Metro East  
25 Mass Transit District Use Tax be increased from 0.25% to  
26 0.75%?

1                   Name                                           Address, with Street and Number.

2                   .....

3                   .....

4           (C) The votes shall be recorded as "YES" or "NO". If a  
5 majority of all votes cast on the proposition are for the  
6 increase in the tax rates, the Metro East Mass Transit District  
7 shall begin imposing the increased rates in the District, and  
8 the Department of Revenue shall begin collecting the increased  
9 amounts, as provided under this Section. An ordinance imposing  
10 or discontinuing a tax hereunder or effecting a change in the  
11 rate thereof shall be adopted and a certified copy thereof  
12 filed with the Department on or before the first day of  
13 October, whereupon the Department shall proceed to administer  
14 and enforce this Section as of the first day of January next  
15 following the adoption and filing, or on or before the first  
16 day of April, whereupon the Department shall proceed to  
17 administer and enforce this Section as of the first day of July  
18 next following the adoption and filing.

19           (D) If the voters have approved a referendum under this  
20 subsection, before November 1, 1994, to increase the tax rate  
21 under this subsection, the Metro East Mass Transit District  
22 Board of Trustees may adopt by a majority vote an ordinance at  
23 any time before January 1, 1995 that excludes from the rate  
24 increase tangible personal property that is titled or  
25 registered with an agency of this State's government. The  
26 ordinance excluding titled or registered tangible personal

1 property from the rate increase must be filed with the  
2 Department at least 15 days before its effective date. At any  
3 time after adopting an ordinance excluding from the rate  
4 increase tangible personal property that is titled or  
5 registered with an agency of this State's government, the Metro  
6 East Mass Transit District Board of Trustees may adopt an  
7 ordinance applying the rate increase to that tangible personal  
8 property. The ordinance shall be adopted, and a certified copy  
9 of that ordinance shall be filed with the Department, on or  
10 before October 1, whereupon the Department shall proceed to  
11 administer and enforce the rate increase against tangible  
12 personal property titled or registered with an agency of this  
13 State's government as of the following January 1. After  
14 December 31, 1995, any reimposed rate increase in effect under  
15 this subsection shall no longer apply to tangible personal  
16 property titled or registered with an agency of this State's  
17 government. Beginning January 1, 1996, the Board of Trustees of  
18 any Metro East Mass Transit District may never reimpose a  
19 previously excluded tax rate increase on tangible personal  
20 property titled or registered with an agency of this State's  
21 government. After July 1, 2004, if the voters have approved a  
22 referendum under this subsection to increase the tax rate under  
23 this subsection, the Metro East Mass Transit District Board of  
24 Trustees may adopt by a majority vote an ordinance that  
25 excludes from the rate increase tangible personal property that  
26 is titled or registered with an agency of this State's

1 government. The ordinance excluding titled or registered  
2 tangible personal property from the rate increase shall be  
3 adopted, and a certified copy of that ordinance shall be filed  
4 with the Department on or before October 1, whereupon the  
5 Department shall administer and enforce this exclusion from the  
6 rate increase as of the following January 1, or on or before  
7 April 1, whereupon the Department shall administer and enforce  
8 this exclusion from the rate increase as of the following July  
9 1. The Board of Trustees of any Metro East Mass Transit  
10 District may never reimpose a previously excluded tax rate  
11 increase on tangible personal property titled or registered  
12 with an agency of this State's government.

13 (d-6) If the Board of Trustees of any Metro East Mass  
14 Transit District has imposed a rate increase under subsection  
15 (d-5) and filed an ordinance with the Department of Revenue  
16 excluding titled property from the higher rate, then that Board  
17 may, by ordinance adopted with the concurrence of two-thirds of  
18 the then trustees, impose throughout the District a fee. The  
19 fee on the excluded property shall not exceed \$20 per retail  
20 transaction or an amount equal to the amount of tax excluded,  
21 whichever is less, on tangible personal property that is titled  
22 or registered with an agency of this State's government.  
23 Beginning July 1, 2004, the fee shall apply only to titled  
24 property that is subject to either the Metro East Mass Transit  
25 District Retailers' Occupation Tax or the Metro East Mass  
26 Transit District Service Occupation Tax. No fee shall be

1 imposed or collected under this subsection on the sale of a  
2 motor vehicle in this State to a resident of another state if  
3 that motor vehicle will not be titled in this State.

4 (d-7) Until June 30, 2004, if a fee has been imposed under  
5 subsection (d-6), a fee shall also be imposed upon the  
6 privilege of using, in the district, any item of tangible  
7 personal property that is titled or registered with any agency  
8 of this State's government, in an amount equal to the amount of  
9 the fee imposed under subsection (d-6).

10 (d-7.1) Beginning July 1, 2004, any fee imposed by the  
11 Board of Trustees of any Metro East Mass Transit District under  
12 subsection (d-6) and all civil penalties that may be assessed  
13 as an incident of the fees shall be collected and enforced by  
14 the State Department of Revenue. Reference to "taxes" in this  
15 Section shall be construed to apply to the administration,  
16 payment, and remittance of all fees under this Section. For  
17 purposes of any fee imposed under subsection (d-6), 4% of the  
18 fee, penalty, and interest received by the Department in the  
19 first 12 months that the fee is collected and enforced by the  
20 Department and 2% of the fee, penalty, and interest following  
21 the first 12 months shall be deposited into the Tax Compliance  
22 and Administration Fund and shall be used by the Department,  
23 subject to appropriation, to cover the costs of the Department.  
24 No retailers' discount shall apply to any fee imposed under  
25 subsection (d-6).

26 (d-8) No item of titled property shall be subject to both

1 the higher rate approved by referendum, as authorized under  
2 subsection (d-5), and any fee imposed under subsection (d-6) or  
3 (d-7).

4 (d-9) (Blank).

5 (d-10) (Blank).

6 (e) A certificate of registration issued by the State  
7 Department of Revenue to a retailer under the Retailers'  
8 Occupation Tax Act or under the Service Occupation Tax Act  
9 shall permit the registrant to engage in a business that is  
10 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
11 this Section and no additional registration shall be required  
12 under the tax. A certificate issued under the Use Tax Act or  
13 the Service Use Tax Act shall be applicable with regard to any  
14 tax imposed under paragraph (c) of this Section.

15 (f) (Blank).

16 (g) Any ordinance imposing or discontinuing any tax under  
17 this Section shall be adopted and a certified copy thereof  
18 filed with the Department on or before June 1, whereupon the  
19 Department of Revenue shall proceed to administer and enforce  
20 this Section on behalf of the Metro East Mass Transit District  
21 as of September 1 next following such adoption and filing.  
22 Beginning January 1, 1992, an ordinance or resolution imposing  
23 or discontinuing the tax hereunder shall be adopted and a  
24 certified copy thereof filed with the Department on or before  
25 the first day of July, whereupon the Department shall proceed  
26 to administer and enforce this Section as of the first day of

1 October next following such adoption and filing. Beginning  
2 January 1, 1993, except as provided in subsection (d-5) of this  
3 Section, an ordinance or resolution imposing or discontinuing  
4 the tax hereunder shall be adopted and a certified copy thereof  
5 filed with the Department on or before the first day of  
6 October, whereupon the Department shall proceed to administer  
7 and enforce this Section as of the first day of January next  
8 following such adoption and filing, or, beginning January 1,  
9 2004, on or before the first day of April, whereupon the  
10 Department shall proceed to administer and enforce this Section  
11 as of the first day of July next following the adoption and  
12 filing.

13 (h) Except as provided in subsection (d-7.1), the State  
14 Department of Revenue shall, upon collecting any taxes as  
15 provided in this Section, pay the taxes over to the State  
16 Treasurer as trustee for the District. The taxes shall be held  
17 in a trust fund outside the State Treasury.

18 As soon as possible after the first day of each month,  
19 beginning January 1, 2011, upon certification of the Department  
20 of Revenue, the Comptroller shall order transferred, and the  
21 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
22 local sales tax increment, as defined in the Innovation  
23 Development and Economy Act, collected under this Section  
24 during the second preceding calendar month for sales within a  
25 STAR bond district. The Department shall make this  
26 certification only if the local mass transit district imposes a



1 tax on real property as provided in the definition of "local  
2 sales taxes" under the Innovation Development and Economy Act.

3 After the monthly transfer to the STAR Bonds Revenue Fund,  
4 on or before the 25th day of each calendar month, the State  
5 Department of Revenue shall prepare and certify to the  
6 Comptroller of the State of Illinois the amount to be paid to  
7 the District, which shall be the amount (not including credit  
8 memoranda) collected under this Section during the second  
9 preceding calendar month by the Department plus an amount the  
10 Department determines is necessary to offset any amounts that  
11 were erroneously paid to a different taxing body, and not  
12 including any amount equal to the amount of refunds made during  
13 the second preceding calendar month by the Department on behalf  
14 of the District, and not including any amount that the  
15 Department determines is necessary to offset any amounts that  
16 were payable to a different taxing body but were erroneously  
17 paid to the District, and less any amounts that are transferred  
18 to the STAR Bonds Revenue Fund. Within 10 days after receipt by  
19 the Comptroller of the certification of the amount to be paid  
20 to the District, the Comptroller shall cause an order to be  
21 drawn for payment for the amount in accordance with the  
22 direction in the certification.

23 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15.)

24 Section 45. The Regional Transportation Authority Act is  
25 amended by changing Section 4.03 as follows:

1 (70 ILCS 3615/4.03) (from Ch. 111 2/3, par. 704.03)

2 Sec. 4.03. Taxes.

3 (a) In order to carry out any of the powers or purposes of  
4 the Authority, the Board may by ordinance adopted with the  
5 concurrence of 12 of the then Directors, impose throughout the  
6 metropolitan region any or all of the taxes provided in this  
7 Section. Except as otherwise provided in this Act, taxes  
8 imposed under this Section and civil penalties imposed incident  
9 thereto shall be collected and enforced by the State Department  
10 of Revenue. The Department shall have the power to administer  
11 and enforce the taxes and to determine all rights for refunds  
12 for erroneous payments of the taxes. Nothing in Public Act  
13 95-708 is intended to invalidate any taxes currently imposed by  
14 the Authority. The increased vote requirements to impose a tax  
15 shall only apply to actions taken after January 1, 2008 (the  
16 effective date of Public Act 95-708).

17 (b) The Board may impose a public transportation tax upon  
18 all persons engaged in the metropolitan region in the business  
19 of selling at retail motor fuel for operation of motor vehicles  
20 upon public highways. The tax shall be at a rate not to exceed  
21 5% of the gross receipts from the sales of motor fuel in the  
22 course of the business. As used in this Act, the term "motor  
23 fuel" shall have the same meaning as in the Motor Fuel Tax Law.  
24 The Board may provide for details of the tax. The provisions of  
25 any tax shall conform, as closely as may be practicable, to the

1 provisions of the Municipal Retailers Occupation Tax Act,  
2 including without limitation, conformity to penalties with  
3 respect to the tax imposed and as to the powers of the State  
4 Department of Revenue to promulgate and enforce rules and  
5 regulations relating to the administration and enforcement of  
6 the provisions of the tax imposed, except that reference in the  
7 Act to any municipality shall refer to the Authority and the  
8 tax shall be imposed only with regard to receipts from sales of  
9 motor fuel in the metropolitan region, at rates as limited by  
10 this Section.

11 (c) In connection with the tax imposed under paragraph (b)  
12 of this Section the Board may impose a tax upon the privilege  
13 of using in the metropolitan region motor fuel for the  
14 operation of a motor vehicle upon public highways, the tax to  
15 be at a rate not in excess of the rate of tax imposed under  
16 paragraph (b) of this Section. The Board may provide for  
17 details of the tax.

18 (d) The Board may impose a motor vehicle parking tax upon  
19 the privilege of parking motor vehicles at off-street parking  
20 facilities in the metropolitan region at which a fee is  
21 charged, and may provide for reasonable classifications in and  
22 exemptions to the tax, for administration and enforcement  
23 thereof and for civil penalties and refunds thereunder and may  
24 provide criminal penalties thereunder, the maximum penalties  
25 not to exceed the maximum criminal penalties provided in the  
26 Retailers' Occupation Tax Act. The Authority may collect and

1 enforce the tax itself or by contract with any unit of local  
2 government. The State Department of Revenue shall have no  
3 responsibility for the collection and enforcement unless the  
4 Department agrees with the Authority to undertake the  
5 collection and enforcement. As used in this paragraph, the term  
6 "parking facility" means a parking area or structure having  
7 parking spaces for more than 2 vehicles at which motor vehicles  
8 are permitted to park in return for an hourly, daily, or other  
9 periodic fee, whether publicly or privately owned, but does not  
10 include parking spaces on a public street, the use of which is  
11 regulated by parking meters.

12 (e) The Board may impose a Regional Transportation  
13 Authority Retailers' Occupation Tax upon all persons engaged in  
14 the business of selling tangible personal property at retail in  
15 the metropolitan region. In Cook County the tax rate shall be  
16 1.25% of the gross receipts from sales of food for human  
17 consumption that is to be consumed off the premises where it is  
18 sold (other than alcoholic beverages, soft drinks and food that  
19 has been prepared for immediate consumption) and prescription  
20 and nonprescription medicines, drugs, medical appliances and  
21 insulin, urine testing materials, syringes and needles used by  
22 diabetics, and 1% of the gross receipts from other taxable  
23 sales made in the course of that business. In DuPage, Kane,  
24 Lake, McHenry, and Will Counties, the tax rate shall be 0.75%  
25 of the gross receipts from all taxable sales made in the course  
26 of that business. The tax imposed under this Section and all

1 civil penalties that may be assessed as an incident thereof  
2 shall be collected and enforced by the State Department of  
3 Revenue. The Department shall have full power to administer and  
4 enforce this Section; to collect all taxes and penalties so  
5 collected in the manner hereinafter provided; and to determine  
6 all rights to credit memoranda arising on account of the  
7 erroneous payment of tax or penalty hereunder. In the  
8 administration of, and compliance with this Section, the  
9 Department and persons who are subject to this Section shall  
10 have the same rights, remedies, privileges, immunities, powers  
11 and duties, and be subject to the same conditions,  
12 restrictions, limitations, penalties, exclusions, exemptions  
13 and definitions of terms, and employ the same modes of  
14 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
15 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
16 therein other than the State rate of tax), 2c, 3 (except as to  
17 the disposition of taxes and penalties collected), 4, 5, 5a,  
18 5b, 5c, 5d, 5e, 5f, 5g, 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d,  
19 7, 8, 9, 10, 11, 12 and 13 of the Retailers' Occupation Tax Act  
20 and Section 3-7 of the Uniform Penalty and Interest Act, as  
21 fully as if those provisions were set forth herein.

22 Persons subject to any tax imposed under the authority  
23 granted in this Section may reimburse themselves for their  
24 seller's tax liability hereunder by separately stating the tax  
25 as an additional charge, which charge may be stated in  
26 combination in a single amount with State taxes that sellers

1 are required to collect under the Use Tax Act, under any  
2 bracket schedules the Department may prescribe.

3 Whenever the Department determines that a refund should be  
4 made under this Section to a claimant instead of issuing a  
5 credit memorandum, the Department shall notify the State  
6 Comptroller, who shall cause the warrant to be drawn for the  
7 amount specified, and to the person named, in the notification  
8 from the Department. The refund shall be paid by the State  
9 Treasurer out of the Regional Transportation Authority tax fund  
10 established under paragraph (n) of this Section.

11 If a tax is imposed under this subsection (e), a tax shall  
12 also be imposed under subsections (f) and (g) of this Section.

13 For the purpose of determining whether a tax authorized  
14 under this Section is applicable, a retail sale by a producer  
15 of coal or other mineral mined in Illinois, is a sale at retail  
16 at the place where the coal or other mineral mined in Illinois  
17 is extracted from the earth. This paragraph does not apply to  
18 coal or other mineral when it is delivered or shipped by the  
19 seller to the purchaser at a point outside Illinois so that the  
20 sale is exempt under the Federal Constitution as a sale in  
21 interstate or foreign commerce.

22 Notwithstanding any other provision of law, for the purpose  
23 of determining whether a tax authorized under this Section is  
24 applicable, a retail sale of fuel used by an aircraft shall be  
25 deemed to be a retail sale at the place where the fuel is  
26 delivered to the aircraft. For the purposes of this paragraph,

1 "fuel" has the meaning given to that term in Section 1.19 of  
2 the Motor Fuel Tax Law.

3 No tax shall be imposed or collected under this subsection  
4 on the sale of a motor vehicle in this State to a resident of  
5 another state if that motor vehicle will not be titled in this  
6 State.

7 Nothing in this Section shall be construed to authorize the  
8 Regional Transportation Authority to impose a tax upon the  
9 privilege of engaging in any business that under the  
10 Constitution of the United States may not be made the subject  
11 of taxation by this State.

12 (f) If a tax has been imposed under paragraph (e), a  
13 Regional Transportation Authority Service Occupation Tax shall  
14 also be imposed upon all persons engaged, in the metropolitan  
15 region in the business of making sales of service, who as an  
16 incident to making the sales of service, transfer tangible  
17 personal property within the metropolitan region, either in the  
18 form of tangible personal property or in the form of real  
19 estate as an incident to a sale of service. In Cook County, the  
20 tax rate shall be: (1) 1.25% of the serviceman's cost price of  
21 food prepared for immediate consumption and transferred  
22 incident to a sale of service subject to the service occupation  
23 tax by an entity licensed under the Hospital Licensing Act, the  
24 Nursing Home Care Act, the Specialized Mental Health  
25 Rehabilitation Act of 2013, the ID/DD Community Care Act, or  
26 the MC/DD Act that is located in the metropolitan region; (2)

1 1.25% of the selling price of food for human consumption that  
2 is to be consumed off the premises where it is sold (other than  
3 alcoholic beverages, soft drinks and food that has been  
4 prepared for immediate consumption) and prescription and  
5 nonprescription medicines, drugs, medical appliances and  
6 insulin, urine testing materials, syringes and needles used by  
7 diabetics; and (3) 1% of the selling price from other taxable  
8 sales of tangible personal property transferred. In DuPage,  
9 Kane, Lake, McHenry and Will Counties the rate shall be 0.75%  
10 of the selling price of all tangible personal property  
11 transferred.

12 The tax imposed under this paragraph and all civil  
13 penalties that may be assessed as an incident thereof shall be  
14 collected and enforced by the State Department of Revenue. The  
15 Department shall have full power to administer and enforce this  
16 paragraph; to collect all taxes and penalties due hereunder; to  
17 dispose of taxes and penalties collected in the manner  
18 hereinafter provided; and to determine all rights to credit  
19 memoranda arising on account of the erroneous payment of tax or  
20 penalty hereunder. In the administration of and compliance with  
21 this paragraph, the Department and persons who are subject to  
22 this paragraph shall have the same rights, remedies,  
23 privileges, immunities, powers and duties, and be subject to  
24 the same conditions, restrictions, limitations, penalties,  
25 exclusions, exemptions and definitions of terms, and employ the  
26 same modes of procedure, as are prescribed in Sections 1a-1, 2,



1 2a, 3 through 3-50 (in respect to all provisions therein other  
2 than the State rate of tax), 4 (except that the reference to  
3 the State shall be to the Authority), 5, 7, 8 (except that the  
4 jurisdiction to which the tax shall be a debt to the extent  
5 indicated in that Section 8 shall be the Authority), 9 (except  
6 as to the disposition of taxes and penalties collected, and  
7 except that the returned merchandise credit for this tax may  
8 not be taken against any State tax), 10, 11, 12 (except the  
9 reference therein to Section 2b of the Retailers' Occupation  
10 Tax Act), 13 (except that any reference to the State shall mean  
11 the Authority), the first paragraph of Section 15, 16, 17, 18,  
12 19 and 20 of the Service Occupation Tax Act and Section 3-7 of  
13 the Uniform Penalty and Interest Act, as fully as if those  
14 provisions were set forth herein.

15 Persons subject to any tax imposed under the authority  
16 granted in this paragraph may reimburse themselves for their  
17 serviceman's tax liability hereunder by separately stating the  
18 tax as an additional charge, that charge may be stated in  
19 combination in a single amount with State tax that servicemen  
20 are authorized to collect under the Service Use Tax Act, under  
21 any bracket schedules the Department may prescribe.

22 Whenever the Department determines that a refund should be  
23 made under this paragraph to a claimant instead of issuing a  
24 credit memorandum, the Department shall notify the State  
25 Comptroller, who shall cause the warrant to be drawn for the  
26 amount specified, and to the person named in the notification

1 from the Department. The refund shall be paid by the State  
2 Treasurer out of the Regional Transportation Authority tax fund  
3 established under paragraph (n) of this Section.

4 Nothing in this paragraph shall be construed to authorize  
5 the Authority to impose a tax upon the privilege of engaging in  
6 any business that under the Constitution of the United States  
7 may not be made the subject of taxation by the State.

8 (g) If a tax has been imposed under paragraph (e), a tax  
9 shall also be imposed upon the privilege of using in the  
10 metropolitan region, any item of tangible personal property  
11 that is purchased outside the metropolitan region at retail  
12 from a retailer, and that is titled or registered with an  
13 agency of this State's government. In Cook County the tax rate  
14 shall be 1% of the selling price of the tangible personal  
15 property, as "selling price" is defined in the Use Tax Act. In  
16 DuPage, Kane, Lake, McHenry and Will counties the tax rate  
17 shall be 0.75% of the selling price of the tangible personal  
18 property, as "selling price" is defined in the Use Tax Act. The  
19 tax shall be collected from persons whose Illinois address for  
20 titling or registration purposes is given as being in the  
21 metropolitan region. The tax shall be collected by the  
22 Department of Revenue for the Regional Transportation  
23 Authority. The tax must be paid to the State, or an exemption  
24 determination must be obtained from the Department of Revenue,  
25 before the title or certificate of registration for the  
26 property may be issued. The tax or proof of exemption may be

1 transmitted to the Department by way of the State agency with  
2 which, or the State officer with whom, the tangible personal  
3 property must be titled or registered if the Department and the  
4 State agency or State officer determine that this procedure  
5 will expedite the processing of applications for title or  
6 registration.

7 The Department shall have full power to administer and  
8 enforce this paragraph; to collect all taxes, penalties and  
9 interest due hereunder; to dispose of taxes, penalties and  
10 interest collected in the manner hereinafter provided; and to  
11 determine all rights to credit memoranda or refunds arising on  
12 account of the erroneous payment of tax, penalty or interest  
13 hereunder. In the administration of and compliance with this  
14 paragraph, the Department and persons who are subject to this  
15 paragraph shall have the same rights, remedies, privileges,  
16 immunities, powers and duties, and be subject to the same  
17 conditions, restrictions, limitations, penalties, exclusions,  
18 exemptions and definitions of terms and employ the same modes  
19 of procedure, as are prescribed in Sections 2 (except the  
20 definition of "retailer maintaining a place of business in this  
21 State"), 3 through 3-80 (except provisions pertaining to the  
22 State rate of tax, and except provisions concerning collection  
23 or refunding of the tax by retailers), 4, 11, 12, 12a, 14, 15,  
24 19 (except the portions pertaining to claims by retailers and  
25 except the last paragraph concerning refunds), 20, 21 and 22 of  
26 the Use Tax Act, and are not inconsistent with this paragraph,

1 as fully as if those provisions were set forth herein.

2 Whenever the Department determines that a refund should be  
3 made under this paragraph to a claimant instead of issuing a  
4 credit memorandum, the Department shall notify the State  
5 Comptroller, who shall cause the order to be drawn for the  
6 amount specified, and to the person named in the notification  
7 from the Department. The refund shall be paid by the State  
8 Treasurer out of the Regional Transportation Authority tax fund  
9 established under paragraph (n) of this Section.

10 (h) The Authority may impose a replacement vehicle tax of  
11 \$50 on any passenger car as defined in Section 1-157 of the  
12 Illinois Vehicle Code purchased within the metropolitan region  
13 by or on behalf of an insurance company to replace a passenger  
14 car of an insured person in settlement of a total loss claim.  
15 The tax imposed may not become effective before the first day  
16 of the month following the passage of the ordinance imposing  
17 the tax and receipt of a certified copy of the ordinance by the  
18 Department of Revenue. The Department of Revenue shall collect  
19 the tax for the Authority in accordance with Sections 3-2002  
20 and 3-2003 of the Illinois Vehicle Code.

21 The Department shall immediately pay over to the State  
22 Treasurer, ex officio, as trustee, all taxes collected  
23 hereunder.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,  
7 on or before the 25th day of each calendar month, the  
8 Department shall prepare and certify to the Comptroller the  
9 disbursement of stated sums of money to the Authority. The  
10 amount to be paid to the Authority shall be the amount  
11 collected hereunder during the second preceding calendar month  
12 by the Department, less any amount determined by the Department  
13 to be necessary for the payment of refunds, and less any  
14 amounts that are transferred to the STAR Bonds Revenue Fund.  
15 Within 10 days after receipt by the Comptroller of the  
16 disbursement certification to the Authority provided for in  
17 this Section to be given to the Comptroller by the Department,  
18 the Comptroller shall cause the orders to be drawn for that  
19 amount in accordance with the directions contained in the  
20 certification.

21 (i) The Board may not impose any other taxes except as it  
22 may from time to time be authorized by law to impose.

23 (j) A certificate of registration issued by the State  
24 Department of Revenue to a retailer under the Retailers'  
25 Occupation Tax Act or under the Service Occupation Tax Act  
26 shall permit the registrant to engage in a business that is

1 taxed under the tax imposed under paragraphs (b), (e), (f) or  
2 (g) of this Section and no additional registration shall be  
3 required under the tax. A certificate issued under the Use Tax  
4 Act or the Service Use Tax Act shall be applicable with regard  
5 to any tax imposed under paragraph (c) of this Section.

6 (k) The provisions of any tax imposed under paragraph (c)  
7 of this Section shall conform as closely as may be practicable  
8 to the provisions of the Use Tax Act, including without  
9 limitation conformity as to penalties with respect to the tax  
10 imposed and as to the powers of the State Department of Revenue  
11 to promulgate and enforce rules and regulations relating to the  
12 administration and enforcement of the provisions of the tax  
13 imposed. The taxes shall be imposed only on use within the  
14 metropolitan region and at rates as provided in the paragraph.

15 (l) The Board in imposing any tax as provided in paragraphs  
16 (b) and (c) of this Section, shall, after seeking the advice of  
17 the State Department of Revenue, provide means for retailers,  
18 users or purchasers of motor fuel for purposes other than those  
19 with regard to which the taxes may be imposed as provided in  
20 those paragraphs to receive refunds of taxes improperly paid,  
21 which provisions may be at variance with the refund provisions  
22 as applicable under the Municipal Retailers Occupation Tax Act.  
23 The State Department of Revenue may provide for certificates of  
24 registration for users or purchasers of motor fuel for purposes  
25 other than those with regard to which taxes may be imposed as  
26 provided in paragraphs (b) and (c) of this Section to

1 facilitate the reporting and nontaxability of the exempt sales  
2 or uses.

3 (m) Any ordinance imposing or discontinuing any tax under  
4 this Section shall be adopted and a certified copy thereof  
5 filed with the Department on or before June 1, whereupon the  
6 Department of Revenue shall proceed to administer and enforce  
7 this Section on behalf of the Regional Transportation Authority  
8 as of September 1 next following such adoption and filing.  
9 Beginning January 1, 1992, an ordinance or resolution imposing  
10 or discontinuing the tax hereunder shall be adopted and a  
11 certified copy thereof filed with the Department on or before  
12 the first day of July, whereupon the Department shall proceed  
13 to administer and enforce this Section as of the first day of  
14 October next following such adoption and filing. Beginning  
15 January 1, 1993, an ordinance or resolution imposing,  
16 increasing, decreasing, or discontinuing the tax hereunder  
17 shall be adopted and a certified copy thereof filed with the  
18 Department, whereupon the Department shall proceed to  
19 administer and enforce this Section as of the first day of the  
20 first month to occur not less than 60 days following such  
21 adoption and filing. Any ordinance or resolution of the  
22 Authority imposing a tax under this Section and in effect on  
23 August 1, 2007 shall remain in full force and effect and shall  
24 be administered by the Department of Revenue under the terms  
25 and conditions and rates of tax established by such ordinance  
26 or resolution until the Department begins administering and

1 enforcing an increased tax under this Section as authorized by  
2 Public Act 95-708. The tax rates authorized by Public Act  
3 95-708 are effective only if imposed by ordinance of the  
4 Authority.

5 (n) The State Department of Revenue shall, upon collecting  
6 any taxes as provided in this Section, pay the taxes over to  
7 the State Treasurer as trustee for the Authority. The taxes  
8 shall be held in a trust fund outside the State Treasury. On or  
9 before the 25th day of each calendar month, the State  
10 Department of Revenue shall prepare and certify to the  
11 Comptroller of the State of Illinois and to the Authority (i)  
12 the amount of taxes collected in each County other than Cook  
13 County in the metropolitan region, (ii) the amount of taxes  
14 collected within the City of Chicago, and (iii) the amount  
15 collected in that portion of Cook County outside of Chicago,  
16 each amount less the amount necessary for the payment of  
17 refunds to taxpayers located in those areas described in items  
18 (i), (ii), and (iii). Within 10 days after receipt by the  
19 Comptroller of the certification of the amounts, the  
20 Comptroller shall cause an order to be drawn for the payment of  
21 two-thirds of the amounts certified in item (i) of this  
22 subsection to the Authority and one-third of the amounts  
23 certified in item (i) of this subsection to the respective  
24 counties other than Cook County and the amount certified in  
25 items (ii) and (iii) of this subsection to the Authority.

26 In addition to the disbursement required by the preceding



1 paragraph, an allocation shall be made in July 1991 and each  
2 year thereafter to the Regional Transportation Authority. The  
3 allocation shall be made in an amount equal to the average  
4 monthly distribution during the preceding calendar year  
5 (excluding the 2 months of lowest receipts) and the allocation  
6 shall include the amount of average monthly distribution from  
7 the Regional Transportation Authority Occupation and Use Tax  
8 Replacement Fund. The distribution made in July 1992 and each  
9 year thereafter under this paragraph and the preceding  
10 paragraph shall be reduced by the amount allocated and  
11 disbursed under this paragraph in the preceding calendar year.  
12 The Department of Revenue shall prepare and certify to the  
13 Comptroller for disbursement the allocations made in  
14 accordance with this paragraph.

15 (o) Failure to adopt a budget ordinance or otherwise to  
16 comply with Section 4.01 of this Act or to adopt a Five-year  
17 Capital Program or otherwise to comply with paragraph (b) of  
18 Section 2.01 of this Act shall not affect the validity of any  
19 tax imposed by the Authority otherwise in conformity with law.

20 (p) At no time shall a public transportation tax or motor  
21 vehicle parking tax authorized under paragraphs (b), (c) and  
22 (d) of this Section be in effect at the same time as any  
23 retailers' occupation, use or service occupation tax  
24 authorized under paragraphs (e), (f) and (g) of this Section is  
25 in effect.

26 Any taxes imposed under the authority provided in

1 paragraphs (b), (c) and (d) shall remain in effect only until  
2 the time as any tax authorized by paragraphs (e), (f) or (g) of  
3 this Section are imposed and becomes effective. Once any tax  
4 authorized by paragraphs (e), (f) or (g) is imposed the Board  
5 may not reimpose taxes as authorized in paragraphs (b), (c) and  
6 (d) of the Section unless any tax authorized by paragraphs (e),  
7 (f) or (g) of this Section becomes ineffective by means other  
8 than an ordinance of the Board.

9 (q) Any existing rights, remedies and obligations  
10 (including enforcement by the Regional Transportation  
11 Authority) arising under any tax imposed under paragraphs (b),  
12 (c) or (d) of this Section shall not be affected by the  
13 imposition of a tax under paragraphs (e), (f) or (g) of this  
14 Section.

15 (Source: P.A. 98-104, eff. 7-22-13; 99-180, eff. 7-29-15;  
16 99-217, eff. 7-31-15; 99-642, eff. 7-28-16.)

17 Section 50. The Water Commission Act of 1985 is amended by  
18 changing Section 4 as follows:

19 (70 ILCS 3720/4) (from Ch. 111 2/3, par. 254)

20 Sec. 4. Taxes.

21 (a) The board of commissioners of any county water  
22 commission may, by ordinance, impose throughout the territory  
23 of the commission any or all of the taxes provided in this  
24 Section for its corporate purposes. However, no county water

1 commission may impose any such tax unless the commission  
 2 certifies the proposition of imposing the tax to the proper  
 3 election officials, who shall submit the proposition to the  
 4 voters residing in the territory at an election in accordance  
 5 with the general election law, and the proposition has been  
 6 approved by a majority of those voting on the proposition.

7 The proposition shall be in the form provided in Section 5  
 8 or shall be substantially in the following form:

9 -----

10	Shall the (insert corporate	
11	name of county water commission)	YES
12	impose (state type of tax or	-----
13	taxes to be imposed) at the	NO
14	rate of 1/4%?	

15 -----

16 Taxes imposed under this Section and civil penalties  
 17 imposed incident thereto shall be collected and enforced by the  
 18 State Department of Revenue. The Department shall have the  
 19 power to administer and enforce the taxes and to determine all  
 20 rights for refunds for erroneous payments of the taxes.

21 (b) The board of commissioners may impose a County Water  
 22 Commission Retailers' Occupation Tax upon all persons engaged  
 23 in the business of selling tangible personal property at retail  
 24 in the territory of the commission at a rate of 1/4% of the  
 25 gross receipts from the sales made in the course of such  
 26 business within the territory. The tax imposed under this

1 paragraph and all civil penalties that may be assessed as an  
2 incident thereof shall be collected and enforced by the State  
3 Department of Revenue. The Department shall have full power to  
4 administer and enforce this paragraph; to collect all taxes and  
5 penalties due hereunder; to dispose of taxes and penalties so  
6 collected in the manner hereinafter provided; and to determine  
7 all rights to credit memoranda arising on account of the  
8 erroneous payment of tax or penalty hereunder. In the  
9 administration of, and compliance with, this paragraph, the  
10 Department and persons who are subject to this paragraph shall  
11 have the same rights, remedies, privileges, immunities, powers  
12 and duties, and be subject to the same conditions,  
13 restrictions, limitations, penalties, exclusions, exemptions  
14 and definitions of terms, and employ the same modes of  
15 procedure, as are prescribed in Sections 1, 1a, 1a-1, 1c, 1d,  
16 1e, 1f, 1i, 1j, 2 through 2-65 (in respect to all provisions  
17 therein other than the State rate of tax except that food for  
18 human consumption that is to be consumed off the premises where  
19 it is sold (other than alcoholic beverages, soft drinks, and  
20 food that has been prepared for immediate consumption) and  
21 prescription and nonprescription medicine, drugs, medical  
22 appliances and insulin, urine testing materials, syringes, and  
23 needles used by diabetics, for human use, shall not be subject  
24 to tax hereunder), 2c, 3 (except as to the disposition of taxes  
25 and penalties collected), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g, 5h,  
26 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 6d, 7, 8, 9, 10, 11, 12 and 13 of

1 the Retailers' Occupation Tax Act and Section 3-7 of the  
2 Uniform Penalty and Interest Act, as fully as if those  
3 provisions were set forth herein.

4 Persons subject to any tax imposed under the authority  
5 granted in this paragraph may reimburse themselves for their  
6 seller's tax liability hereunder by separately stating the tax  
7 as an additional charge, which charge may be stated in  
8 combination, in a single amount, with State taxes that sellers  
9 are required to collect under the Use Tax Act and under  
10 subsection (e) of Section 4.03 of the Regional Transportation  
11 Authority Act, in accordance with such bracket schedules as the  
12 Department may prescribe.

13 Whenever the Department determines that a refund should be  
14 made under this paragraph to a claimant instead of issuing a  
15 credit memorandum, the Department shall notify the State  
16 Comptroller, who shall cause the warrant to be drawn for the  
17 amount specified, and to the person named, in the notification  
18 from the Department. The refund shall be paid by the State  
19 Treasurer out of a county water commission tax fund established  
20 under paragraph (g) of this Section.

21 For the purpose of determining whether a tax authorized  
22 under this paragraph is applicable, a retail sale by a producer  
23 of coal or other mineral mined in Illinois is a sale at retail  
24 at the place where the coal or other mineral mined in Illinois  
25 is extracted from the earth. This paragraph does not apply to  
26 coal or other mineral when it is delivered or shipped by the

1 seller to the purchaser at a point outside Illinois so that the  
2 sale is exempt under the Federal Constitution as a sale in  
3 interstate or foreign commerce.

4 Notwithstanding any other provision of law, for the purpose  
5 of determining whether a tax authorized under this Section is  
6 applicable, a retail sale of fuel used by an aircraft shall be  
7 deemed to be a retail sale at the place where the fuel is  
8 delivered to the aircraft. For the purposes of this paragraph,  
9 "fuel" has the meaning given to that term in Section 1.19 of  
10 the Motor Fuel Tax Law.

11 If a tax is imposed under this subsection (b) a tax shall  
12 also be imposed under subsections (c) and (d) of this Section.

13 No tax shall be imposed or collected under this subsection  
14 on the sale of a motor vehicle in this State to a resident of  
15 another state if that motor vehicle will not be titled in this  
16 State.

17 Nothing in this paragraph shall be construed to authorize a  
18 county water commission to impose a tax upon the privilege of  
19 engaging in any business which under the Constitution of the  
20 United States may not be made the subject of taxation by this  
21 State.

22 (c) If a tax has been imposed under subsection (b), a  
23 County Water Commission Service Occupation Tax shall also be  
24 imposed upon all persons engaged, in the territory of the  
25 commission, in the business of making sales of service, who, as  
26 an incident to making the sales of service, transfer tangible

1 personal property within the territory. The tax rate shall be  
2 1/4% of the selling price of tangible personal property so  
3 transferred within the territory. The tax imposed under this  
4 paragraph and all civil penalties that may be assessed as an  
5 incident thereof shall be collected and enforced by the State  
6 Department of Revenue. The Department shall have full power to  
7 administer and enforce this paragraph; to collect all taxes and  
8 penalties due hereunder; to dispose of taxes and penalties so  
9 collected in the manner hereinafter provided; and to determine  
10 all rights to credit memoranda arising on account of the  
11 erroneous payment of tax or penalty hereunder. In the  
12 administration of, and compliance with, this paragraph, the  
13 Department and persons who are subject to this paragraph shall  
14 have the same rights, remedies, privileges, immunities, powers  
15 and duties, and be subject to the same conditions,  
16 restrictions, limitations, penalties, exclusions, exemptions  
17 and definitions of terms, and employ the same modes of  
18 procedure, as are prescribed in Sections 1a-1, 2 (except that  
19 the reference to State in the definition of supplier  
20 maintaining a place of business in this State shall mean the  
21 territory of the commission), 2a, 3 through 3-50 (in respect to  
22 all provisions therein other than the State rate of tax except  
23 that food for human consumption that is to be consumed off the  
24 premises where it is sold (other than alcoholic beverages, soft  
25 drinks, and food that has been prepared for immediate  
26 consumption) and prescription and nonprescription medicines,

1 drugs, medical appliances and insulin, urine testing  
2 materials, syringes, and needles used by diabetics, for human  
3 use, shall not be subject to tax hereunder), 4 (except that the  
4 reference to the State shall be to the territory of the  
5 commission), 5, 7, 8 (except that the jurisdiction to which the  
6 tax shall be a debt to the extent indicated in that Section 8  
7 shall be the commission), 9 (except as to the disposition of  
8 taxes and penalties collected and except that the returned  
9 merchandise credit for this tax may not be taken against any  
10 State tax), 10, 11, 12 (except the reference therein to Section  
11 2b of the Retailers' Occupation Tax Act), 13 (except that any  
12 reference to the State shall mean the territory of the  
13 commission), the first paragraph of Section 15, 15.5, 16, 17,  
14 18, 19 and 20 of the Service Occupation Tax Act as fully as if  
15 those provisions were set forth herein.

16 Persons subject to any tax imposed under the authority  
17 granted in this paragraph may reimburse themselves for their  
18 serviceman's tax liability hereunder by separately stating the  
19 tax as an additional charge, which charge may be stated in  
20 combination, in a single amount, with State tax that servicemen  
21 are authorized to collect under the Service Use Tax Act, and  
22 any tax for which servicemen may be liable under subsection (f)  
23 of Section 4.03 of the Regional Transportation Authority Act,  
24 in accordance with such bracket schedules as the Department may  
25 prescribe.

26 Whenever the Department determines that a refund should be



1 made under this paragraph to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the warrant to be drawn for the  
4 amount specified, and to the person named, in the notification  
5 from the Department. The refund shall be paid by the State  
6 Treasurer out of a county water commission tax fund established  
7 under paragraph (g) of this Section.

8 Nothing in this paragraph shall be construed to authorize a  
9 county water commission to impose a tax upon the privilege of  
10 engaging in any business which under the Constitution of the  
11 United States may not be made the subject of taxation by the  
12 State.

13 (d) If a tax has been imposed under subsection (b), a tax  
14 shall also imposed upon the privilege of using, in the  
15 territory of the commission, any item of tangible personal  
16 property that is purchased outside the territory at retail from  
17 a retailer, and that is titled or registered with an agency of  
18 this State's government, at a rate of 1/4% of the selling price  
19 of the tangible personal property within the territory, as  
20 "selling price" is defined in the Use Tax Act. The tax shall be  
21 collected from persons whose Illinois address for titling or  
22 registration purposes is given as being in the territory. The  
23 tax shall be collected by the Department of Revenue for a  
24 county water commission. The tax must be paid to the State, or  
25 an exemption determination must be obtained from the Department  
26 of Revenue, before the title or certificate of registration for

1 the property may be issued. The tax or proof of exemption may  
2 be transmitted to the Department by way of the State agency  
3 with which, or the State officer with whom, the tangible  
4 personal property must be titled or registered if the  
5 Department and the State agency or State officer determine that  
6 this procedure will expedite the processing of applications for  
7 title or registration.

8 The Department shall have full power to administer and  
9 enforce this paragraph; to collect all taxes, penalties and  
10 interest due hereunder; to dispose of taxes, penalties and  
11 interest so collected in the manner hereinafter provided; and  
12 to determine all rights to credit memoranda or refunds arising  
13 on account of the erroneous payment of tax, penalty or interest  
14 hereunder. In the administration of, and compliance with this  
15 paragraph, the Department and persons who are subject to this  
16 paragraph shall have the same rights, remedies, privileges,  
17 immunities, powers and duties, and be subject to the same  
18 conditions, restrictions, limitations, penalties, exclusions,  
19 exemptions and definitions of terms and employ the same modes  
20 of procedure, as are prescribed in Sections 2 (except the  
21 definition of "retailer maintaining a place of business in this  
22 State"), 3 through 3-80 (except provisions pertaining to the  
23 State rate of tax, and except provisions concerning collection  
24 or refunding of the tax by retailers, and except that food for  
25 human consumption that is to be consumed off the premises where  
26 it is sold (other than alcoholic beverages, soft drinks, and

1 food that has been prepared for immediate consumption) and  
2 prescription and nonprescription medicines, drugs, medical  
3 appliances and insulin, urine testing materials, syringes, and  
4 needles used by diabetics, for human use, shall not be subject  
5 to tax hereunder), 4, 11, 12, 12a, 14, 15, 19 (except the  
6 portions pertaining to claims by retailers and except the last  
7 paragraph concerning refunds), 20, 21 and 22 of the Use Tax Act  
8 and Section 3-7 of the Uniform Penalty and Interest Act that  
9 are not inconsistent with this paragraph, as fully as if those  
10 provisions were set forth herein.

11 Whenever the Department determines that a refund should be  
12 made under this paragraph to a claimant instead of issuing a  
13 credit memorandum, the Department shall notify the State  
14 Comptroller, who shall cause the order to be drawn for the  
15 amount specified, and to the person named, in the notification  
16 from the Department. The refund shall be paid by the State  
17 Treasurer out of a county water commission tax fund established  
18 under paragraph (g) of this Section.

19 (e) A certificate of registration issued by the State  
20 Department of Revenue to a retailer under the Retailers'  
21 Occupation Tax Act or under the Service Occupation Tax Act  
22 shall permit the registrant to engage in a business that is  
23 taxed under the tax imposed under paragraphs (b), (c) or (d) of  
24 this Section and no additional registration shall be required  
25 under the tax. A certificate issued under the Use Tax Act or  
26 the Service Use Tax Act shall be applicable with regard to any

1 tax imposed under paragraph (c) of this Section.

2 (f) Any ordinance imposing or discontinuing any tax under  
3 this Section shall be adopted and a certified copy thereof  
4 filed with the Department on or before June 1, whereupon the  
5 Department of Revenue shall proceed to administer and enforce  
6 this Section on behalf of the county water commission as of  
7 September 1 next following the adoption and filing. Beginning  
8 January 1, 1992, an ordinance or resolution imposing or  
9 discontinuing the tax hereunder shall be adopted and a  
10 certified copy thereof filed with the Department on or before  
11 the first day of July, whereupon the Department shall proceed  
12 to administer and enforce this Section as of the first day of  
13 October next following such adoption and filing. Beginning  
14 January 1, 1993, an ordinance or resolution imposing or  
15 discontinuing the tax hereunder shall be adopted and a  
16 certified copy thereof filed with the Department on or before  
17 the first day of October, whereupon the Department shall  
18 proceed to administer and enforce this Section as of the first  
19 day of January next following such adoption and filing.

20 (g) The State Department of Revenue shall, upon collecting  
21 any taxes as provided in this Section, pay the taxes over to  
22 the State Treasurer as trustee for the commission. The taxes  
23 shall be held in a trust fund outside the State Treasury.

24 As soon as possible after the first day of each month,  
25 beginning January 1, 2011, upon certification of the Department  
26 of Revenue, the Comptroller shall order transferred, and the

1 Treasurer shall transfer, to the STAR Bonds Revenue Fund the  
2 local sales tax increment, as defined in the Innovation  
3 Development and Economy Act, collected under this Section  
4 during the second preceding calendar month for sales within a  
5 STAR bond district.

6 After the monthly transfer to the STAR Bonds Revenue Fund,  
7 on or before the 25th day of each calendar month, the State  
8 Department of Revenue shall prepare and certify to the  
9 Comptroller of the State of Illinois the amount to be paid to  
10 the commission, which shall be the amount (not including credit  
11 memoranda) collected under this Section during the second  
12 preceding calendar month by the Department plus an amount the  
13 Department determines is necessary to offset any amounts that  
14 were erroneously paid to a different taxing body, and not  
15 including any amount equal to the amount of refunds made during  
16 the second preceding calendar month by the Department on behalf  
17 of the commission, and not including any amount that the  
18 Department determines is necessary to offset any amounts that  
19 were payable to a different taxing body but were erroneously  
20 paid to the commission, and less any amounts that are  
21 transferred to the STAR Bonds Revenue Fund. Within 10 days  
22 after receipt by the Comptroller of the certification of the  
23 amount to be paid to the commission, the Comptroller shall  
24 cause an order to be drawn for the payment for the amount in  
25 accordance with the direction in the certification.

26 (h) Beginning June 1, 2016, any tax imposed pursuant to

1 this Section may no longer be imposed or collected, unless a  
2 continuation of the tax is approved by the voters at a  
3 referendum as set forth in this Section.

4 (Source: P.A. 98-298, eff. 8-9-13; 99-217, eff. 7-31-15;  
5 99-642, eff. 7-28-16.)