



Rep. Arthur Turner

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1 AMENDMENT TO SENATE BILL 2641

2 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2641 by replacing  
3 everything after the enacting clause with the following:

4 "Section 5. The Automobile Renting Occupation and Use Tax  
5 Act is amended by changing Section 2 as follows:

6 (35 ILCS 155/2) (from Ch. 120, par. 1702)

7 Sec. 2. Definitions.

8 "Renting" means any transfer of the possession or right to  
9 possession of an automobile to a user for a valuable  
10 consideration for a period of one year or less, including the  
11 facilitation of a privately-owned passenger motor vehicle for  
12 use by persons other than the vehicle's registered owner as a  
13 part of a personal car facilitation transaction, as defined in  
14 Section 1-159.05 of the Illinois Vehicle Code.

15 "Renting" does not include making a charge for the use of  
16 an automobile where the rentor, either himself or through an

1 agent, furnishes a service of operating an automobile so that  
2 the rentor remains in possession of the automobile, because  
3 this does not constitute a transfer of possession or right to  
4 possession of the automobile.

5 "Renting" does not include the making of a charge by an  
6 automobile dealer for the use of an automobile as a  
7 demonstrator in connection with the dealer's business of  
8 selling, where the charge is merely made to recover the costs  
9 of operating the automobile as a demonstrator and is not  
10 intended as a rental or leasing charge in the ordinary sense.

11 "Automobile" means (1) any motor vehicle of the first  
12 division, or (2) a motor vehicle of the second division which:  
13 (A) is a self-contained motor vehicle designed or permanently  
14 converted to provide living quarters for recreational, camping  
15 or travel use, with direct walk through access to the living  
16 quarters from the driver's seat; (B) is of the van  
17 configuration designed for the transportation of not less than  
18 7 nor more than 16 passengers, as defined in Section 1-146 of  
19 the Illinois Vehicle Code; or (C) has a Gross Vehicle Weight  
20 Rating, as defined in Section 1-124.5 of the Illinois Vehicle  
21 Code, of 8,000 pounds or less.

22 "Department" means the Department of Revenue.

23 "Person" means any natural individual, firm, partnership,  
24 association, joint stock company, joint adventure, public or  
25 private corporation, limited liability company, or a receiver,  
26 executor, trustee, conservator or other representative

1 appointed by order of any court.

2 "Rentor" means any person, firm, corporation or  
3 association engaged in the business of renting or leasing  
4 automobiles to users. For this purpose, the objective of making  
5 a profit is not necessary to make the renting activity a  
6 business.

7 "Rentee" means any user to whom the possession, or the  
8 right to possession, of an automobile is transferred for a  
9 valuable consideration for a period of one year or less,  
10 whether paid for by the "rentee" or by someone else.

11 "Gross receipts" from the renting of tangible personal  
12 property or "rent" means the total rental price or leasing  
13 price. In the case of rental transactions in which the  
14 consideration is paid to the rentor on an installment basis,  
15 the amounts of such payments shall be included by the rentor in  
16 gross receipts or rent only as and when payments are received  
17 by the rentor.

18 "Gross receipts" does not include receipts received by an  
19 automobile dealer from a manufacturer or service contract  
20 provider for the use of an automobile by a person while that  
21 person's automobile is being repaired by that automobile dealer  
22 and the repair is made pursuant to a manufacturer's warranty or  
23 a service contract where a manufacturer or service contract  
24 provider reimburses that automobile dealer pursuant to a  
25 manufacturer's warranty or a service contract and the  
26 reimbursement is merely made to recover the costs of operating

1 the automobile as a loaner vehicle.

2 "Rental price" means the consideration for renting or  
3 leasing an automobile valued in money, whether received in  
4 money or otherwise, including cash credits, property and  
5 services, and shall be determined without any deduction on  
6 account of the cost of the property rented, the cost of  
7 materials used, labor or service cost, or any other expense  
8 whatsoever, but does not include charges that are added by a  
9 rentor on account of the rentor's tax liability under this Act  
10 or on account of the rentor's duty to collect, from the rentee,  
11 the tax that is imposed by Section 4 of this Act. The phrase  
12 "rental price" does not include compensation paid to a rentor  
13 by a rentee in consideration of the waiver by the rentor of any  
14 right of action or claim against the rentee for loss or damage  
15 to the automobile rented and also does not include a separately  
16 stated charge for insurance or recovery of refueling costs or  
17 other separately stated charges that are not for the use of  
18 tangible personal property.

19 (Source: P.A. 98-574, eff. 1-1-14.)

20 Section 10. The Counties Code is amended by changing  
21 Section 5-1032 as follows:

22 (55 ILCS 5/5-1032) (from Ch. 34, par. 5-1032)

23 Sec. 5-1032. County Automobile Renting Occupation Tax. The  
24 corporate authorities of a county may impose a tax upon all

1 persons engaged in the business of renting automobiles in the  
2 county, but outside any municipality, at the rate of not to  
3 exceed 1% of the gross receipts from such business. For the  
4 purposes of imposing a tax under this Section, the facilitation  
5 of a privately-owned passenger motor vehicle for use by persons  
6 other than the vehicle's registered owner as a part of a  
7 personal car facilitation transaction, as defined in Section  
8 1-159.05 of the Illinois Vehicle Code, shall constitute  
9 engaging in the business of renting automobiles in the county.

10 The tax imposed by a county pursuant to this Section and all  
11 civil penalties that may be assessed as an Incident thereof  
12 shall be collected and enforced by the State Department of  
13 Revenue. The certificate of registration which is issued by the  
14 Department to a retailer under the "Retailers' Occupation Tax  
15 Act", approved June 23, 1933, as amended, or under the  
16 "Automobile Renting Occupation and Use Tax Act", enacted by the  
17 Eighty-Second General Assembly, shall permit such person to  
18 engage in a business which is taxable under any ordinance or  
19 resolution enacted pursuant to this Section without  
20 registering separately with the Department under such  
21 ordinance or resolution or under this Section. The Department  
22 shall have full power to administer and enforce this Section;  
23 to collect all taxes and penalties due hereunder; to dispose of  
24 taxes and penalties so collected in the manner hereinafter  
25 provided, and to determine all rights to credit memoranda,  
26 arising on account of the erroneous payment of tax or penalty

1 hereunder. In the administration of, and compliance with, this  
2 Section, the Department and persons who are subject to this  
3 Section shall have the same rights, remedies, privileges,  
4 immunities, powers and duties, and be subject to the same  
5 conditions, restrictions, limitations, penalties and  
6 definitions of terms, and employ the same modes of procedure,  
7 as are prescribed in Sections 2 and 3 (in respect to all  
8 provisions therein other than the State rate of tax; and with  
9 relation to the provisions of the "Retailers' Occupation Tax"  
10 referred to therein, except as to the disposition of taxes and  
11 penalties collected, and except for the provision allowing  
12 retailers a deduction from the tax to cover certain costs, and  
13 except that credit memoranda issued hereunder may not be used  
14 to discharge any State tax liability) of the "Automobile  
15 Renting Occupation and Use Tax Act", as the same are now or may  
16 hereafter be amended, as fully as if provisions contained in  
17 those Sections of said Act were set forth herein.

18 Persons subject to any tax imposed pursuant to the  
19 authority granted in this Section may reimburse themselves for  
20 their tax liability hereunder by separately stating such tax as  
21 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 "Automobile Renting  
24 Occupation and Use Tax Act" pursuant to such bracket schedules  
25 as the Department may prescribe.

26 Whenever the Department determines that a refund should be

1 made under this Section to a claimant instead of issuing a  
2 credit memorandum, the Department shall notify the State  
3 Comptroller, who shall cause the order to be drawn for the  
4 amount specified, and to the person named, in such notification  
5 from the Department. Such refund shall be paid by the State  
6 Treasurer out of the county automobile renting 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. On or before the 25th day of each calendar  
10 month, the Department shall prepare and certify to the  
11 Comptroller the disbursement of stated sums of money to named  
12 counties from which renters have paid taxes or penalties  
13 hereunder to the Department during the second preceding  
14 calendar month. The amount to be paid to each county shall be  
15 the amount (not including credit memoranda) collected  
16 hereunder during the second preceding calendar month by the  
17 Department, and not including an amount equal to the amount of  
18 refunds made during the second preceding calendar month by the  
19 Department on behalf of such county, less 2% of such balance,  
20 which sum shall be retained by the State Treasurer to cover the  
21 costs incurred by the Department in administering and enforcing  
22 this Section as provided herein. The Department at the time of  
23 each monthly disbursement to the counties shall prepare and  
24 certify to the Comptroller the amount, so retained by the State  
25 Treasurer, to be paid into the General Revenue Fund of the  
26 State Treasury. Within 10 days after receipt, by the

1 Comptroller, of the disbursement certification to the counties  
2 and the General Revenue Fund, provided for in this Section to  
3 be given to the Comptroller by the Department, the Comptroller  
4 shall cause the orders to be drawn for the respective amounts  
5 in accordance with the directions contained in such  
6 certification.

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

11 An ordinance or resolution imposing a tax hereunder or  
12 effecting a change in the rate thereof shall be effective on  
13 the first day of the calendar month next following the month in  
14 which such ordinance or resolution is passed. The corporate  
15 authorities of any county which levies a tax authorized by this  
16 Section shall transmit to the Department of Revenue on or not  
17 later than 5 days after passage of the ordinance or resolution  
18 a certified copy of the ordinance or resolution imposing such  
19 tax whereupon the Department of Revenue shall proceed to  
20 administer and enforce this Section on behalf of such county as  
21 of the effective date of the ordinance or resolution. Upon a  
22 change in rate of a tax levied hereunder, or upon the  
23 discontinuance of the tax, the corporate authorities of the  
24 county shall on or not later than 5 days after passage of the  
25 ordinance or resolution discontinuing the tax or effecting a  
26 change in rate transmit to the Department of Revenue a



1 certified copy of the ordinance or resolution effecting such  
2 change or discontinuance.

3 The Department of Revenue must upon the request of the  
4 County Clerk or County Board submit to a county a list of those  
5 persons who are registered with the Department to pay  
6 automobile renting occupation tax within the unincorporated  
7 area of that governmental unit. This list shall contain only  
8 the names of persons who have paid the tax and not the amount  
9 of tax paid by such person.

10 This Section shall be known and may be cited as the "County  
11 Automobile Renting Occupation Tax Law".

12 (Source: P.A. 86-962.)

13 Section 15. The Illinois Municipal Code is amended by  
14 changing Section 8-11-7 as follows:

15 (65 ILCS 5/8-11-7) (from Ch. 24, par. 8-11-7)

16 Sec. 8-11-7. The corporate authorities of a municipality  
17 may impose a tax upon all persons engaged in the business of  
18 renting automobiles in the municipality at the rate of not to  
19 exceed 1% of the gross receipts from such business. For the  
20 purposes of imposing a tax under this Section, the facilitation  
21 of a privately-owned passenger motor vehicle for use by persons  
22 other than the vehicle's registered owner as a part of a  
23 personal car facilitation transaction, as defined in Section  
24 1-159.05 of the Illinois Vehicle Code, shall constitute

1 engaging in the business of renting automobiles in the  
2 municipality. The tax imposed by a municipality pursuant to  
3 this Section and all civil penalties that may be assessed as an  
4 incident thereof shall be collected and enforced by the State  
5 Department of Revenue. The certificate of registration which is  
6 issued by the Department to a retailer under the Retailers'  
7 Occupation Tax Act or under the Automobile Renting Occupation  
8 and Use Tax Act shall permit such person to engage in a  
9 business which is taxable under any ordinance or resolution  
10 enacted pursuant to this Section without registering  
11 separately with the Department under such ordinance or  
12 resolution or under this Section. The Department shall have  
13 full power to administer and enforce this Section; to collect  
14 all 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 Section, the  
19 Department and persons who are subject to this Section shall  
20 have the same rights, remedies, privileges, immunities, powers  
21 and duties, and be subject to the same conditions,  
22 restrictions, limitations, penalties and definitions of terms,  
23 and employ the same modes of procedure, as are prescribed in  
24 Sections 2 and 3 (in respect to all provisions therein other  
25 than the State rate of tax; and with relation to the provisions  
26 of the "Retailers' Occupation Tax" referred to therein, except

1 as to the disposition of taxes and penalties collected, and  
2 except for the provision allowing retailers a deduction from  
3 the tax to cover certain costs, and except that credit  
4 memoranda issued hereunder may not be used to discharge any  
5 State tax liability) of the Automobile Renting Occupation and  
6 Use Tax Act, as fully as if those provisions were set forth  
7 herein.

8 Persons subject to any tax imposed pursuant to the  
9 authority granted in this Section may reimburse themselves for  
10 their tax liability hereunder by separately stating such tax as  
11 an additional charge, which charge may be stated in  
12 combination, in a single amount, with State tax which sellers  
13 are required to collect under the Automobile Renting Occupation  
14 and Use Tax Act pursuant to such bracket schedules as the  
15 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 such notification  
21 from the Department. Such refund shall be paid by the State  
22 Treasurer out of the municipal automobile renting tax fund.

23 The Department shall forthwith pay over to the State  
24 Treasurer, ex-officio, as trustee, all taxes and penalties  
25 collected hereunder. On or before the 25th day of each calendar  
26 month, the Department shall prepare and certify to the

1 Comptroller the disbursement of stated sums of money to named  
2 municipalities, the municipalities to be those from which  
3 rentors have paid taxes or penalties hereunder to the  
4 Department during the second preceding calendar month. The  
5 amount to be paid to each municipality shall be the amount (not  
6 including credit memoranda) collected hereunder during the  
7 second preceding calendar month by the Department, and not  
8 including an amount equal to the amount of refunds made during  
9 the second preceding calendar month by the Department on behalf  
10 of such municipality, less 1.6% of such balance, which sum  
11 shall be retained by the State Treasurer to cover the costs  
12 incurred by the Department in administering and enforcing this  
13 Section as provided herein. The Department at the time of each  
14 monthly disbursement to the municipalities shall prepare and  
15 certify to the Comptroller the amount, so retained by the State  
16 Treasurer, to be paid into the General Revenue Fund of the  
17 State Treasury. Within 10 days after receipt, by the  
18 Comptroller, of the disbursement certification to the  
19 municipalities and the General Revenue Fund, provided for in  
20 this Section to be given to the Comptroller by the Department,  
21 the Comptroller shall cause the orders to be drawn for the  
22 respective amounts in accordance with the directions contained  
23 in such certification.

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 a tax hereunder or  
3 effecting a change in the rate thereof shall be effective on  
4 the first day of the calendar month next following publication  
5 as provided in Section 1-2-4. The corporate authorities of any  
6 municipality which levies a tax authorized by this Section  
7 shall transmit to the Department of Revenue on or not later  
8 than 5 days after publication a certified copy of the ordinance  
9 or resolution imposing such tax whereupon the Department of  
10 Revenue shall proceed to administer and enforce this Section on  
11 behalf of such municipality as of the effective date of the  
12 ordinance or resolution. Upon a change in rate of a tax levied  
13 hereunder, or upon the discontinuance of the tax, the corporate  
14 authorities of the municipality shall on or not later than 5  
15 days after publication of the ordinance or resolution  
16 discontinuing the tax or effecting a change in rate transmit to  
17 the Department of Revenue a certified copy of the ordinance or  
18 resolution effecting such change or discontinuance.

19 The Department of Revenue must upon the request of the  
20 municipal clerk, city council or village board of trustees  
21 submit to a city, village or incorporated town a list of those  
22 persons who are registered with the Department to pay  
23 automobile renting occupation tax within that governmental  
24 unit. This list shall contain only the names of persons who  
25 have paid the tax and not the amount of tax paid by such  
26 person.

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

4           This Section shall be known and may be cited as the  
5 "Municipal Automobile Renting Occupation Tax Act".

6           (Source: P.A. 86-1475.)

7           Section 20. The Illinois Vehicle Code is amended by  
8 changing Sections 6-305.2, 6-305.3, and 9-101 and by adding  
9 Sections 1-146.7, 1-159.05, 1-159.07, and 1-171.01e as  
10 follows:

11           (625 ILCS 5/1-146.7 new)

12           Sec. 1-146.7. Motor vehicle rental company. Any person or  
13 entity whose primary business is renting motor vehicles to the  
14 public for 30 days or less, including a personal car  
15 facilitation company as defined in Section 1-159.07 of this  
16 Code. "Motor vehicle rental company" shall also include any  
17 entity that may be described in this Code as a rental car  
18 company, rental car agency, automobile rental company, vehicle  
19 rental company, rental owner, or any other similar entity that  
20 engages in the rental of motor vehicles to the public.

21           (625 ILCS 5/1-159.05 new)

22           Sec. 1-159.05. Personal car facilitation. The use of a  
23 privately-owned passenger motor vehicle by persons other than

1 the vehicle's registered owner as facilitated by a personal car  
2 facilitation company.

3 (625 ILCS 5/1-159.07 new)

4 Sec. 1-159.07. Personal car facilitation company. A legal  
5 entity qualified to do business in this State engaged in the  
6 business of facilitating the use, rental, or sharing of  
7 privately-owned passenger motor vehicles for noncommercial use  
8 by individuals within this State. "Personal car facilitation  
9 company" does not include the registered owner of the vehicle  
10 facilitated by a personal car facilitation company for the  
11 purpose of personal car facilitation.

12 (625 ILCS 5/1-171.01e new)

13 Sec. 1-171.01e. Rental agreement. An agreement for 30 days  
14 or less setting forth the terms and conditions governing the  
15 use of a motor vehicle provided by a motor vehicle rental  
16 company.

17 (625 ILCS 5/6-305.2)

18 Sec. 6-305.2. Limited liability for damage.

19 (a) Damage to private passenger vehicle. A person who rents  
20 a motor vehicle to another may hold the renter liable to the  
21 extent permitted under subsections (b) through (d) for physical  
22 or mechanical damage to the rented motor vehicle that occurs  
23 during the time the motor vehicle is under the rental

1 agreement.

2 (b) Limits on liability: vehicle MSRP \$50,000 or less. The  
3 total liability of a renter under subsection (a) for damage to  
4 a motor vehicle with a Manufacturer's Suggested Retail Price  
5 (MSRP) of \$50,000 or less may not exceed all of the following:

6 (1) The lesser of:

7 (A) Actual and reasonable costs that the person who  
8 rents a motor vehicle to another incurred to repair the  
9 motor vehicle or that the rental company would have  
10 incurred if the motor vehicle had been repaired, which  
11 shall reflect any discounts, price reductions, or  
12 adjustments available to the rental company; or

13 (B) The fair market value of that motor vehicle  
14 immediately before the damage occurred, as determined  
15 in the customary market for the retail sale of that  
16 motor vehicle; and

17 (2) Actual and reasonable costs incurred by the loss  
18 due to theft of the rental motor vehicle up to \$2,000;  
19 provided, however, that if it is established that the  
20 renter or an authorized driver failed to exercise ordinary  
21 care while in possession of the vehicle or that the renter  
22 or an authorized driver committed or aided and abetted the  
23 commission of the theft, then the damages shall be the  
24 actual and reasonable costs of the rental vehicle up to its  
25 fair market value, as determined by the customary market  
26 for the sale of that vehicle.



1           For purposes of this subsection (b), for the period prior  
2 to June 1, 1998, the maximum amount that may be recovered from  
3 an authorized driver shall not exceed \$6,000; for the period  
4 beginning June 1, 1998 through May 31, 1999, the maximum  
5 recovery shall not exceed \$7,500; and for the period beginning  
6 June 1, 1999 through May 31, 2000, the maximum recovery shall  
7 not exceed \$9,000. Beginning June 1, 2000, and annually each  
8 June 1 thereafter, the maximum amount that may be recovered  
9 from an authorized driver shall be increased by \$500 above the  
10 maximum recovery allowed immediately prior to June 1 of that  
11 year.

12           (b-5) Limits on liability: vehicle MSRP more than \$50,000.  
13 The total liability of a renter under subsection (a) for damage  
14 to a motor vehicle with a Manufacturer's Suggested Retail Price  
15 (MSRP) of more than \$50,000 may not exceed all of the  
16 following:

17           (1) the lesser of:

18                   (A) actual and reasonable costs that the person who  
19 rents a motor vehicle to another incurred to repair the  
20 motor vehicle or that the rental company would have  
21 incurred if the motor vehicle had been repaired, which  
22 shall reflect any discounts, price reductions, or  
23 adjustments available to the rental company; or

24                   (B) the fair market value of that motor vehicle  
25 immediately before the damage occurred, as determined  
26 in the customary market for the retail sale of that

1 motor vehicle; and

2 (2) the actual and reasonable costs incurred by the  
3 loss due to theft of the rental motor vehicle up to  
4 \$40,000.

5 The maximum recovery for a motor vehicle with a  
6 Manufacturer's Suggested Retail Price (MSRP) of more than  
7 \$50,000 under this subsection (b-5) shall not exceed \$40,000 on  
8 the effective date of this amendatory Act of the 99th General  
9 Assembly. On October 1, 2016, and for the next 3 years  
10 thereafter, the maximum amount that may be recovered from an  
11 authorized driver under this subsection (b-5) shall be  
12 increased by \$2,500 above the prior year's maximum recovery. On  
13 October 1, 2020, and for each year thereafter, the maximum  
14 amount that may be recovered from an authorized driver under  
15 this subsection (b-5) shall be increased by \$1,000 above the  
16 prior year's maximum recovery.

17 (c) Multiple recoveries prohibited. Any person who rents a  
18 motor vehicle to another may not hold the renter liable for any  
19 amounts that the rental company recovers from any other party.

20 (d) Repair estimates. A person who rents a motor vehicle to  
21 another may not collect or attempt to collect the amount  
22 described in subsection (b) or (b-5) unless the rental company  
23 obtains an estimate from a repair company or an appraiser in  
24 the business of providing such appraisals on the costs of  
25 repairing the motor vehicle, makes a copy of the estimate  
26 available upon request to the renter who may be liable under

1 subsection (a), or the insurer of the renter, and submits a  
2 copy of the estimate with any claim to collect the amount  
3 described in subsection (b) or (b-5). In order to collect the  
4 amount described in subsection (b-5), a person renting a motor  
5 vehicle to another must also provide the renter's personal  
6 insurance company with reasonable notice and an opportunity to  
7 inspect damages.

8 (d-5) In the event of loss due to theft of the rental motor  
9 vehicle with a MSRP more than \$50,000, the rental company shall  
10 provide reasonable notice of the theft to the renter's personal  
11 insurance company.

12 (e) Duty to mitigate. A claim against a renter resulting  
13 from damage or loss to a rental vehicle must be reasonably and  
14 rationally related to the actual loss incurred. A rental  
15 company shall mitigate damages where possible and shall not  
16 assert or collect any claim for physical damage which exceeds  
17 the actual costs of the repair, including all discounts or  
18 price reductions.

19 (f) No rental company shall require a deposit or an advance  
20 charge against the credit card of a renter, in any form, for  
21 damages to a vehicle which is in the renter's possession,  
22 custody, or control. No rental company shall require any  
23 payment for damage to the rental vehicle, upon the renter's  
24 return of the vehicle in a damaged condition, until after the  
25 cost of the damage to the vehicle and liability therefor is  
26 agreed to between the rental company and renter or is

1 determined pursuant to law.

2 (g) If insurance coverage exists under the renter's  
3 personal insurance policy and the coverage is confirmed during  
4 regular business hours, the renter may require that the rental  
5 company must submit any claims to the renter's personal  
6 insurance carrier as the renter's agent. The rental company  
7 shall not make any written or oral representations that it will  
8 not present claims or negotiate with the renter's insurance  
9 carrier. For purposes of this Section, confirmation of coverage  
10 includes telephone confirmation from insurance company  
11 representatives during regular business hours. After  
12 confirmation of coverage, the amount of claim shall be resolved  
13 between the insurance carrier and the rental company.

14 (h) For purposes of allocation of liability for damage to  
15 private passenger vehicles as established under this Section, a  
16 motor vehicle rental company that is a personal car  
17 facilitation company as defined in Section 1-159.07 of this  
18 Code shall, if any damage to a vehicle occurs at any time when  
19 the vehicle is under the operation and control of a person  
20 other than the vehicle's registered owner under a personal car  
21 facilitation transaction facilitated by that company, assume  
22 all liability of the registered owner of the vehicle used in  
23 the personal car facilitation transaction and shall be  
24 considered the vehicle's owner for rental purposes. Nothing in  
25 this subsection (h) prevents a personal car facilitation  
26 company from holding a renter in a personal car facilitation

1 transaction liable to the extent permitted under this Section.  
2 A personal car facilitation company continues to be liable  
3 under this subsection (h) until the end of the personal car  
4 facilitation transaction as described in subsection (c) of  
5 Section 30 of the Renter's Financial Responsibility and  
6 Protection Act.

7 (Source: P.A. 99-201, eff. 10-1-15.)

8 (625 ILCS 5/6-305.3)

9 Sec. 6-305.3. Vehicle license cost recovery fee.

10 (a) As used in this Section:

11 "Motor vehicle rental company" has the meaning ascribed to  
12 it in Section 1-146.7 of this Code ~~means a person or entity~~  
13 ~~whose primary business is renting motor vehicles to the public~~  
14 ~~for 30 days or less.~~

15 "Inspect" or "inspection" means a vehicle emissions  
16 inspection under Chapter 13C of this Code.

17 "Rental agreement" has the meaning ascribed to it in  
18 Section 1-171.01e of this Code ~~means an agreement for 30 days~~  
19 ~~or less setting forth the terms and conditions governing the~~  
20 ~~use of a motor vehicle provided by a rental company.~~

21 "Motor vehicle" means motor vehicles of the first division  
22 and motor vehicles of the second division weighing not more  
23 than 8,000 pounds.

24 "Vehicle license cost recovery fee" or "VLCRF" means a  
25 charge that may be separately stated and charged on a rental

1 agreement in a vehicle rental transaction originating in  
2 Illinois to recover costs incurred either directly or  
3 indirectly by a motor vehicle rental company to license, title,  
4 register, and inspect motor vehicles.

5 (b) Motor vehicle rental companies may include a separately  
6 stated mandatory surcharge or fee in a rental agreement for  
7 vehicle license cost recovery fees (VLCRF) and all applicable  
8 taxes.

9 (c) If a motor vehicle rental company includes a VLCRF as  
10 separately stated charge in a rental agreement, the amount of  
11 the fee must represent the motor vehicle rental company's  
12 good-faith estimate of the automobile rental company's daily  
13 charge as calculated by the motor vehicle rental company to  
14 recover its actual total annual motor vehicle titling,  
15 registration, and inspection costs.

16 (d) If the total amount of the VLCRF collected by a motor  
17 vehicle rental company under this Section in any calendar year  
18 exceeds the motor vehicle rental company's actual costs to  
19 license, title, register, and inspect for that calendar year,  
20 the motor vehicle rental company shall do both of the  
21 following:

22 (1) Retain the excess amount; and

23 (2) Adjust the estimated average per vehicle titling,  
24 licensing, inspection, and registration charge for the  
25 following calendar year by a corresponding amount.

26 (e) Nothing in subsection (d) of this Section shall prevent

1 a motor vehicle rental company from making adjustments to the  
2 VLCRF during the calendar year.

3 (Source: P.A. 96-37, eff. 7-13-09; 97-595, eff. 8-26-11.)

4 (625 ILCS 5/9-101) (from Ch. 95 1/2, par. 9-101)

5 Sec. 9-101. Owner of for-rent motor vehicle to give proof  
6 of financial responsibility. For purposes of this Chapter, "for  
7 rent" means any transfer of the possession of or right to  
8 possession of a motor vehicle to a user for a valuable  
9 consideration for a period of less than one year, and "to  
10 lease" means any transfer of the possession of or right to  
11 possession of a motor vehicle to a user for a period of one  
12 year or more. It is unlawful for the owner of any motor vehicle  
13 to engage in the business, or to hold himself out to the public  
14 generally as being engaged in the business of renting out such  
15 motor vehicle to be operated by the customer, unless the owner  
16 has given, and there is in full force and effect and on file  
17 with the Secretary of State proof of financial responsibility  
18 as hereinafter provided. The facilitation of a privately-owned  
19 passenger motor vehicle for use by persons other than the  
20 vehicle's registered owner as a part of a personal car  
21 facilitation transaction shall constitute engaging in the  
22 rental business in this State for purposes of this Section. For  
23 purposes of providing proof of financial responsibility under  
24 this Section, a personal car facilitation company shall be  
25 considered the owner of the vehicle and financially responsible

1 for that vehicle at any time when the vehicle is under the  
2 operation and control of a person other than the vehicle's  
3 registered owner under a personal car facilitation transaction  
4 facilitated by that company. The delivery of a vehicle owned by  
5 an out of State person or business to a renter in this State  
6 shall constitute engaging in the rental business in this State  
7 for purposes of this Section.

8 All owners of motor vehicles which are leased for a period  
9 of one year or more are not required to provide proof of  
10 insurance as required under this chapter, but instead must  
11 comply with Section 7-601 of this Code and obtain vehicle  
12 insurance in amounts no less than the minimum amount set for  
13 bodily injury or death and for destruction of property pursuant  
14 to Section 7-203 of this Code.

15 (Source: P.A. 86-880; 87-1220.)

16 Section 25. The Automated Traffic Control Systems in  
17 Highway Construction or Maintenance Zones Act is amended by  
18 changing Section 45 as follows:

19 (625 ILCS 7/45)

20 Sec. 45. Vehicle rental or leasing company's  
21 identification of a renter or lessee.

22 (a) A Uniform Traffic Citation issued under this Act to a  
23 motor vehicle rental or leasing company shall be dismissed with  
24 respect to the rental or leasing company if:



1           (1) the company responds to the Uniform Traffic  
2 Citation by submitting, within 30 days of the mailing of  
3 the citation, an affidavit of non-liability stating that,  
4 at the time of the alleged speeding or other traffic  
5 violation, the vehicle was in the custody and control of a  
6 renter or lessee under the terms of a rental agreement or  
7 lease; and

8           (2) the company provides the driver's license number,  
9 name, and address of the renter or lessee.

10           (a-5) A Uniform Traffic Citation issued under this Act to  
11 the registered owner of a vehicle used in personal car  
12 facilitation, as defined in Section 1-159.05 of the Illinois  
13 Vehicle Code, shall be dismissed with respect to the registered  
14 owner if:

15           (1) the registered owner responds to the Uniform  
16 Traffic Citation by submitting, within 30 days of the  
17 mailing of the citation, an affidavit of non-liability  
18 stating that, at the time of the alleged speeding or other  
19 traffic violation, the vehicle was under the operation and  
20 control of a person other than the vehicle's registered  
21 owner under a personal car facilitation transaction  
22 facilitated by a personal car facilitation company; and

23           (2) the registered owner provides proof of the  
24 transaction facilitated by the personal car facilitation  
25 company with the driver of his or her vehicle during the  
26 alleged violation.

1 (b) A Uniform Traffic Citation dismissed with respect to a  
2 motor vehicle rental or leasing company in accordance with  
3 subsection (a) may then be issued and delivered by mail or  
4 other means to the renter or lessee identified in the affidavit  
5 of non-liability.

6 (c) For purposes of this Section, "motor vehicle rental or  
7 leasing company" includes a personal car facilitation company  
8 as defined in Section 1-159.07 of the Illinois Vehicle Code.

9 (Source: P.A. 93-947, eff. 8-19-04.)

10 Section 30. The Renter's Financial Responsibility and  
11 Protection Act is amended by changing Section 10 and by adding  
12 Section 30 as follows:

13 (625 ILCS 27/10)

14 Sec. 10. Definitions. As used in this Act:

15 "Personal car facilitation" means the use of a  
16 privately-owned passenger motor vehicle by persons other than  
17 the vehicle's registered owner as facilitated by a personal car  
18 facilitation company.

19 "Personal car facilitation company" means a legal entity  
20 qualified to do business in this State engaged in the business  
21 of facilitating the use, rental, or sharing of privately-owned  
22 passenger motor vehicles for noncommercial use by individuals  
23 within this State. "Personal car facilitation company" does not  
24 include the registered owner of the vehicle facilitated by a

1 personal car facilitation company for the purpose of personal  
2 car facilitation.

3 "Rental Company" means a person or entity that rents  
4 private passenger vehicles to the public for 30 days or less,  
5 including a personal car facilitation company.

6 "Renter" means a person or entity that obtains the use of a  
7 private passenger vehicle from a rental company under terms of  
8 a rental agreement.

9 "Rental Agreement" means an agreement for 30 days or less  
10 setting forth the terms and conditions governing the use of a  
11 private passenger vehicle provided by a rental company.

12 "Authorized Driver" means: the renter; the renter's spouse  
13 if the spouse is a licensed driver and satisfies the rental  
14 company's minimum age requirement; the renter's employer,  
15 employee, or co-worker if that person is a licensed driver,  
16 satisfies the rental company's minimum age requirement, and at  
17 the time of the rental is engaged in a business activity with  
18 the renter; any person who is expressly listed by the rental  
19 company on the rental agreement as an authorized driver; and  
20 any person driving directly to a medical or police facility  
21 under circumstances reasonably believed to constitute an  
22 emergency and who is a licensed driver.

23 "Damage Waiver" means a rental company's agreement not to  
24 hold an authorized driver liable for all or a part of any  
25 damage to or loss of a rented vehicle for which the renter may  
26 be liable pursuant to Section 6-305.2. "Damage Waiver" shall

1 encompass within its meaning other similar terms used by rental  
2 companies, such as "Collision Damage Waiver", "Loss Damage  
3 Waiver", "Physical Damage Waiver", and the like.

4 (Source: P.A. 90-113, eff. 7-14-97.)

5 (625 ILCS 27/30 new)

6 Sec. 30. Personal car facilitation company obligations and  
7 liability.

8 (a) Notwithstanding any provision to the contrary, a rental  
9 company that is a personal car facilitation company shall, when  
10 applicable, be subject to the statutory and regulatory  
11 obligations pertaining to all motor vehicle rental companies.

12 (b) If any loss or injury occurs at any time when a vehicle  
13 is under the operation and control of a person other than the  
14 vehicle's registered owner under a personal car facilitation  
15 transaction facilitated by a personal car facilitation  
16 company, the company shall assume all liability of the  
17 registered owner of the vehicle used in the personal car  
18 facilitation transaction and shall be considered the vehicle's  
19 owner for all purposes.

20 (c) A personal car facilitation company continues to be  
21 liable under subsection (b) of this Section until the vehicle  
22 is returned to a location designated by the company, and one of  
23 the following occur:

24 (1) the expiration of the personal car facilitation  
25 time period established for the vehicle occurs;

1           (2) the intent to terminate the vehicle's personal car  
2           facilitation use is verifiably communicated to the  
3           company; or

4           (3) the vehicle's registered owner takes possession  
5           and control of the vehicle.

6           (d) At no time shall the registered owner of the vehicle be  
7           held liable for any loss, injury, damage, or violation  
8           involving his or her vehicle occurring during a personal car  
9           facilitation transaction unless it is shown that the registered  
10           owner was operating or in control of the vehicle at the time of  
11           the loss, injury, damage, or violation.

12           (e) Notwithstanding any provision to the contrary, for the  
13           purposes of the issuance of a citation for a violation of  
14           Sections 11-208.6, 11-208.8, 11-208.9, and 11-1201.1 of the  
15           Illinois Vehicle Code, the registered owner of the vehicle  
16           shall be dismissed with respect to those violations, and the  
17           personal car facilitation company shall be considered the  
18           vehicle's owner for purposes of the citation. A citation for a  
19           violation under this Section shall be dismissed with respect to  
20           the registered owner upon:

21           (1) the registered owner responding to the citation by  
22           submitting, within 30 days of the mailing of the citation,  
23           an affidavit of non-liability stating that, at the time of  
24           the alleged violation, the vehicle was under the operation  
25           and control of a person other than the vehicle's registered  
26           owner under a personal car facilitation transaction

1       facilitated by a personal car facilitation company; and  
2           (2) the registered owner providing proof of the  
3       transaction facilitated by the personal car facilitation  
4       company with the driver of his or her vehicle during the  
5       alleged violation.

6       (f) Nothing in this Section shall limit the liability of  
7       the personal car facilitation company for any acts or omissions  
8       by the company that result in injury to any persons as a result  
9       of the use or operation of a vehicle during a personal car  
10       facilitation transaction."