



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

HB0155

by Rep. Anthony DeLuca

SYNOPSIS AS INTRODUCED:

65 ILCS 5/8-11-1.1	from Ch. 24, par. 8-11-1.1
65 ILCS 5/8-11-1.2	from Ch. 24, par. 8-11-1.2
65 ILCS 5/8-11-1.3	from Ch. 24, par. 8-11-1.3
65 ILCS 5/8-11-1.4	from Ch. 24, par. 8-11-1.4
65 ILCS 5/8-11-1.5	from Ch. 24, par. 8-11-1.5

Amends the Illinois Municipal Code. Provides that the rate of tax under the Non-Home Rule Municipal Retailers' Occupation Tax Act, the Non-Home Rule Municipal Service Occupation Tax Act, and the Non-Home Rule Municipal Use Tax Act may not exceed 2% (currently, 1%). Provides that the rate of tax that may be imposed for municipal operations may not exceed 1%. With respect to the Non-Home Rule Municipal Retailers' Occupation Tax Act, the Non-Home Rule Municipal Service Occupation Tax Act, and the Non-Home Rule Municipal Use Tax Act, provides that the term "public infrastructure" includes the acquisition, repair, and maintenance of public safety equipment. Effective immediately.

LRB101 02997 AWJ 48005 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning revenue.

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

4 Section 5. The Illinois Municipal Code is amended by
5 changing Sections 8-11-1.1, 8-11-1.2, 8-11-1.3, 8-11-1.4, and
6 8-11-1.5 as follows:

7 (65 ILCS 5/8-11-1.1) (from Ch. 24, par. 8-11-1.1)

8 Sec. 8-11-1.1. Non-home rule municipalities; imposition of
9 taxes.

10 (a) The corporate authorities of a non-home rule
11 municipality may, upon approval of the electors of the
12 municipality pursuant to subsection (b) of this Section, impose
13 by ordinance or resolution the tax authorized in Sections
14 8-11-1.3, 8-11-1.4 and 8-11-1.5 of this Act.

15 (b) The corporate authorities of the municipality may by
16 ordinance or resolution call for the submission to the electors
17 of the municipality the question of whether the municipality
18 shall impose such tax or increase the rate of such tax. Such
19 question shall be certified by the municipal clerk to the
20 election authority in accordance with Section 28-5 of the
21 Election Code and shall be in a form in accordance with Section
22 16-7 of the Election Code.

23 Notwithstanding any provision of law to the contrary, if

1 the proceeds of the tax may be used for municipal operations
2 pursuant to Section 8-11-1.3, 8-11-1.4, or 8-11-1.5, then the
3 election authority must submit the question in substantially
4 the following form:

5 Shall the corporate authorities of the municipality be
6 authorized to levy a tax at a rate of (rate)% for
7 expenditures on municipal operations, expenditures on
8 public infrastructure, or property tax relief?

9 If a majority of the electors in the municipality voting
10 upon the question vote in the affirmative, such tax shall be
11 imposed.

12 Until January 1, 1992, an ordinance or resolution imposing
13 the tax of not more than 1% hereunder or discontinuing the same
14 shall be adopted and a certified copy thereof, together with a
15 certification that the ordinance or resolution received
16 referendum approval in the case of the imposition of such tax,
17 filed with the Department of Revenue, on or before the first
18 day of June, whereupon the Department shall proceed to
19 administer and enforce the additional tax or to discontinue the
20 tax, as the case may be, as of the first day of September next
21 following such adoption and filing.

22 Beginning January 1, 1992 and through December 31, 1992, an
23 ordinance or resolution imposing or discontinuing the tax
24 hereunder shall be adopted and a certified copy thereof filed
25 with the Department on or before the first day of July,
26 whereupon the Department shall proceed to administer and

1 enforce this Section as of the first day of October next
2 following such adoption and filing.

3 Beginning January 1, 1993, and through September 30, 2002,
4 an ordinance or resolution imposing or discontinuing the tax
5 hereunder shall be adopted and a certified copy thereof filed
6 with the Department on or before the first day of October,
7 whereupon the Department shall proceed to administer and
8 enforce this Section as of the first day of January next
9 following such adoption and filing.

10 Beginning October 1, 2002, and through December 31, 2013,
11 an ordinance or resolution imposing or discontinuing the tax
12 under this Section or effecting a change in the rate of tax
13 must either (i) be adopted and a certified copy of the
14 ordinance or resolution filed with the Department on or before
15 the first day of April, whereupon the Department shall proceed
16 to administer and enforce this Section as of the first day of
17 July next following the adoption and filing; or (ii) be adopted
18 and a certified copy of the ordinance or resolution filed with
19 the Department on or before the first day of October, whereupon
20 the Department shall proceed to administer and enforce this
21 Section as of the first day of January next following the
22 adoption and filing.

23 Beginning January 1, 2014, if an ordinance or resolution
24 imposing the tax under this Section, discontinuing the tax
25 under this Section, or effecting a change in the rate of tax
26 under this Section is adopted, a certified copy thereof,

1 together with a certification that the ordinance or resolution
2 received referendum approval in the case of the imposition of
3 or increase in the rate of such tax, shall be filed with the
4 Department of Revenue, either (i) on or before the first day of
5 May, whereupon the Department shall proceed to administer and
6 enforce this Section as of the first day of July next following
7 the adoption and filing; or (ii) on or before the first day of
8 October, whereupon the Department shall proceed to administer
9 and enforce this Section as of the first day of January next
10 following the adoption and filing.

11 Notwithstanding any provision in this Section to the
12 contrary, if, in a non-home rule municipality with more than
13 150,000 but fewer than 200,000 inhabitants, as determined by
14 the last preceding federal decennial census, an ordinance or
15 resolution under this Section imposes or discontinues a tax or
16 changes the tax rate as of July 1, 2007, then that ordinance or
17 resolution, together with a certification that the ordinance or
18 resolution received referendum approval in the case of the
19 imposition of the tax, must be adopted and a certified copy of
20 that ordinance or resolution must be filed with the Department
21 on or before May 15, 2007, whereupon the Department shall
22 proceed to administer and enforce this Section as of July 1,
23 2007.

24 Notwithstanding any provision in this Section to the
25 contrary, if, in a non-home rule municipality with more than
26 6,500 but fewer than 7,000 inhabitants, as determined by the

1 last preceding federal decennial census, an ordinance or
2 resolution under this Section imposes or discontinues a tax or
3 changes the tax rate on or before May 20, 2009, then that
4 ordinance or resolution, together with a certification that the
5 ordinance or resolution received referendum approval in the
6 case of the imposition of the tax, must be adopted and a
7 certified copy of that ordinance or resolution must be filed
8 with the Department on or before May 20, 2009, whereupon the
9 Department shall proceed to administer and enforce this Section
10 as of July 1, 2009.

11 A non-home rule municipality may file a certified copy of
12 an ordinance or resolution, with a certification that the
13 ordinance or resolution received referendum approval in the
14 case of the imposition of the tax, with the Department of
15 Revenue, as required under this Section, only after October 2,
16 2000.

17 The tax authorized by this Section may not be more than 2%
18 ~~1%~~ and may be imposed only in 1/4% increments. It is the intent
19 of the General Assembly that the rate of tax that may be
20 imposed for municipal operations may not exceed 1%; therefore,
21 notwithstanding any other provision of law, if the tax under
22 this Section is imposed at a rate of more than 1%, then,
23 beginning with the first disbursement to occur on or after the
24 effective date of the increase, the total amount that may be
25 used for municipal operations may not exceed the total amount
26 of the proceeds disbursed to the municipality under Sections

1 8-11-1.3, 8-11-1.4, and 8-11-1.5, multiplied by a fraction
2 having a numerator of 1 and a denominator of the rate of tax.

3 (Source: P.A. 98-584, eff. 8-27-13.)

4 (65 ILCS 5/8-11-1.2) (from Ch. 24, par. 8-11-1.2)

5 Sec. 8-11-1.2. Definition. As used in Sections 8-11-1.3,
6 8-11-1.4 and 8-11-1.5 of this Act:

7 (a) "Public infrastructure" means municipal roads and
8 streets, access roads, bridges, and sidewalks; waste disposal
9 systems; the acquisition, repair, and maintenance of public
10 safety equipment; and water and sewer line extensions, water
11 distribution and purification facilities, storm water drainage
12 and retention facilities, and sewage treatment facilities. For
13 purposes of referenda authorizing the imposition of taxes by
14 the City of DuQuoin under Sections 8-11-1.3, 8-11-1.4, and
15 8-11-1.5 of this Act that are approved in November, 2002, or
16 for purposes of referenda authorizing the imposition of taxes
17 by the Village of Forsyth under Sections 8-11-1.3, 8-11-1.4,
18 and 8-11-1.5 of this Act that are approved after the effective
19 date of this amendatory Act of the 94th General Assembly,
20 "public infrastructure" shall also include public schools.

21 (a-5) For the purposes of this Section, "public safety
22 equipment" means firefighting, police, rescue, transportation,
23 or communications equipment used by police departments, fire
24 departments, or other first responders, including, but not
25 limited to, police vehicles, fire trucks, surveillance

1 equipment, and body cameras.

2 (b) "Property tax relief" means the action of a
3 municipality to reduce the levy for real estate taxes or avoid
4 an increase in the levy for real estate taxes that would
5 otherwise have been required. Property tax relief or the
6 avoidance of property tax must uniformly apply to all classes
7 of property.

8 (Source: P.A. 94-1078, eff. 1-9-07; 95-331, eff. 8-21-07.)

9 (65 ILCS 5/8-11-1.3) (from Ch. 24, par. 8-11-1.3)

10 Sec. 8-11-1.3. Non-Home Rule Municipal Retailers'
11 Occupation Tax Act. The corporate authorities of a non-home
12 rule municipality may impose a tax upon all persons engaged in
13 the business of selling tangible personal property, other than
14 on an item of tangible personal property which is titled and
15 registered by an agency of this State's Government, at retail
16 in the municipality for expenditure on public infrastructure or
17 for property tax relief or both as defined in Section 8-11-1.2
18 if approved by referendum as provided in Section 8-11-1.1, of
19 the gross receipts from such sales made in the course of such
20 business. If the tax is approved by referendum on or after July
21 14, 2010 (the effective date of Public Act 96-1057), the
22 corporate authorities of a non-home rule municipality may,
23 until December 31, 2020, use the proceeds of the tax for
24 expenditure on municipal operations, in addition to or in lieu
25 of any expenditure on public infrastructure or for property tax

1 relief. The tax imposed may not be more than 2% ~~1%~~ and may be
2 imposed only in 1/4% increments. It is the intent of the
3 General Assembly that the rate of tax that may be imposed for
4 municipal operations may not exceed 1%; therefore,
5 notwithstanding any other provision of law, if the tax under
6 this Section is imposed at a rate of more than 1%, then,
7 beginning with the first disbursement to occur on or after the
8 effective date of the increase, the total amount that may be
9 used for municipal operations may not exceed the total amount
10 of the proceeds disbursed to the municipality under this
11 Section, Section 8-11-1.4, and Section 8-11-1.5, multiplied by
12 a fraction having a numerator of 1 and a denominator of the
13 rate of tax. The tax may not be imposed on the sale of food for
14 human consumption that is to be consumed off the premises where
15 it is sold (other than alcoholic beverages, soft drinks, and
16 food that has been prepared for immediate consumption) and
17 prescription and nonprescription medicines, drugs, medical
18 appliances, and insulin, urine testing materials, syringes,
19 and needles used by diabetics. The tax imposed by a
20 municipality pursuant to this Section and all civil penalties
21 that may be assessed as an incident thereof shall be collected
22 and enforced by the State Department of Revenue. The
23 certificate of registration which is issued by the Department
24 to a retailer under the Retailers' Occupation Tax Act shall
25 permit such retailer to engage in a business which is taxable
26 under any ordinance or resolution enacted pursuant to this

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

22 No municipality may impose a tax under this Section unless
23 the municipality also imposes a tax at the same rate under
24 Section 8-11-1.4 of this Code.

25 Persons subject to any tax imposed pursuant to the
26 authority granted in this Section may reimburse themselves for

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

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

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

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

25 After the monthly transfer to the STAR Bonds Revenue Fund,
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 named municipalities,
3 the municipalities to be those from which retailers have paid
4 taxes or penalties hereunder to the Department during the
5 second preceding calendar month. The amount to be paid to each
6 municipality shall be the amount (not including credit
7 memoranda) collected hereunder during the second preceding
8 calendar month by the Department plus an amount the Department
9 determines is necessary to offset any amounts which were
10 erroneously paid to a different taxing body, and not including
11 an amount equal to the amount of refunds made during the second
12 preceding calendar month by the Department on behalf of such
13 municipality, and not including any amount which the Department
14 determines is necessary to offset any amounts which were
15 payable to a different taxing body but were erroneously paid to
16 the municipality, and not including any amounts that are
17 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
18 remainder, which the Department shall transfer into the Tax
19 Compliance and Administration Fund. The Department, at the time
20 of each monthly disbursement to the municipalities, shall
21 prepare and certify to the State Comptroller the amount to be
22 transferred into the Tax Compliance and Administration Fund
23 under this Section. Within 10 days after receipt, by the
24 Comptroller, of the disbursement certification to the
25 municipalities and the Tax Compliance and Administration Fund
26 provided for in this Section to be given to the Comptroller by

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

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

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

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

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

26 As used in this Section, "municipal" and "municipality"

1 means a city, village or incorporated town, including an
2 incorporated town which has superseded a civil township.

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

5 (Source: P.A. 99-217, eff. 7-31-15; 100-23, eff. 7-6-17;
6 100-587, eff. 6-4-18.)

7 (65 ILCS 5/8-11-1.4) (from Ch. 24, par. 8-11-1.4)

8 Sec. 8-11-1.4. Non-Home Rule Municipal Service Occupation
9 Tax Act. The corporate authorities of a non-home rule
10 municipality may impose a tax upon all persons engaged, in such
11 municipality, in the business of making sales of service for
12 expenditure on public infrastructure or for property tax relief
13 or both as defined in Section 8-11-1.2 if approved by
14 referendum as provided in Section 8-11-1.1, of the selling
15 price of all tangible personal property transferred by such
16 servicemen either in the form of tangible personal property or
17 in the form of real estate as an incident to a sale of service.
18 If the tax is approved by referendum on or after July 14, 2010
19 (the effective date of Public Act 96-1057), the corporate
20 authorities of a non-home rule municipality may, until December
21 31, 2020, use the proceeds of the tax for expenditure on
22 municipal operations, in addition to or in lieu of any
23 expenditure on public infrastructure or for property tax
24 relief. The tax imposed may not be more than 2% ~~1%~~ and may be
25 imposed only in 1/4% increments. It is the intent of the

1 General Assembly that the rate of tax that may be imposed for
2 municipal operations may not exceed 1%; therefore,
3 notwithstanding any other provision of law, if the tax under
4 this Section is imposed at a rate of more than 1%, then,
5 beginning with the first disbursement to occur on or after the
6 effective date of the increase, the total amount that may be
7 used for municipal operations may not exceed the total amount
8 of the proceeds disbursed to the municipality under this
9 Section, Section 8-11-1.3, and Section 8-11-1.5, multiplied by
10 a fraction having a numerator of 1 and a denominator of the
11 rate of tax. The tax may not be imposed on the sale of food for
12 human consumption that is to be consumed off the premises where
13 it is sold (other than alcoholic beverages, soft drinks, and
14 food that has been prepared for immediate consumption) and
15 prescription and nonprescription medicines, drugs, medical
16 appliances, and insulin, urine testing materials, syringes,
17 and needles used by diabetics. The tax imposed by a
18 municipality pursuant to this Section and all civil penalties
19 that may be assessed as an incident thereof shall be collected
20 and enforced by the State Department of Revenue. The
21 certificate of registration which is issued by the Department
22 to a retailer under the Retailers' Occupation Tax Act or under
23 the Service Occupation Tax Act shall permit such registrant to
24 engage in a business which is taxable under any ordinance or
25 resolution enacted pursuant to this Section without
26 registering separately with the Department under such

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

1 as if those provisions were set forth herein.

2 No municipality may impose a tax under this Section unless
3 the municipality also imposes a tax at the same rate under
4 Section 8-11-1.3 of this Code.

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

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

20 The Department shall forthwith pay over to the State
21 Treasurer, ex officio, as trustee, all taxes and penalties
22 collected hereunder.

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

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

5 After the monthly transfer to the STAR Bonds Revenue Fund,
6 on or before the 25th day of each calendar month, the
7 Department shall prepare and certify to the Comptroller the
8 disbursement of stated sums of money to named municipalities,
9 the municipalities to be those from which suppliers and
10 servicemen have paid taxes or penalties hereunder to the
11 Department during the second preceding calendar month. The
12 amount to be paid to each municipality shall be the amount (not
13 including credit memoranda) collected hereunder during the
14 second preceding calendar month by the Department, and not
15 including an amount equal to the amount of refunds made during
16 the second preceding calendar month by the Department on behalf
17 of such municipality, and not including any amounts that are
18 transferred to the STAR Bonds Revenue Fund, less 1.5% of the
19 remainder, which the Department shall transfer into the Tax
20 Compliance and Administration Fund. The Department, at the time
21 of each monthly disbursement to the municipalities, shall
22 prepare and certify to the State Comptroller the amount to be
23 transferred into the Tax Compliance and Administration Fund
24 under this Section. Within 10 days after receipt, by the
25 Comptroller, of the disbursement certification to the
26 municipalities, the General Revenue Fund, and the Tax

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

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

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

13 As used in this Section, "municipal" or "municipality"
14 means or refers to a city, village or incorporated town,
15 including an incorporated town which has superseded a civil
16 township.

17 This Section shall be known and may be cited as the
18 "Non-Home Rule Municipal Service Occupation Tax Act".

19 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18.)

20 (65 ILCS 5/8-11-1.5) (from Ch. 24, par. 8-11-1.5)

21 Sec. 8-11-1.5. Non-Home Rule Municipal Use Tax Act. The
22 corporate authorities of a non-home rule municipality may
23 impose a tax upon the privilege of using, in such municipality,
24 any item of tangible personal property which is purchased at
25 retail from a retailer, and which is titled or registered with

1 an agency of this State's government, based on the selling
2 price of such tangible personal property, as "selling price" is
3 defined in the Use Tax Act, for expenditure on public
4 infrastructure or for property tax relief or both as defined in
5 Section 8-11-1.2, if approved by referendum as provided in
6 Section 8-11-1.1. If the tax is approved by referendum on or
7 after the effective date of this amendatory Act of the 96th
8 General Assembly, the corporate authorities of a non-home rule
9 municipality may, until December 31, 2020, use the proceeds of
10 the tax for expenditure on municipal operations, in addition to
11 or in lieu of any expenditure on public infrastructure or for
12 property tax relief. The tax imposed may not be more than 2% 1%
13 and may be imposed only in 1/4% increments. It is the intent of
14 the General Assembly that the rate of tax that may be imposed
15 for municipal operations may not exceed 1%; therefore,
16 notwithstanding any other provision of law, if the tax under
17 this Section is imposed at a rate of more than 1%, then,
18 beginning with the first disbursement to occur on or after the
19 effective date of the increase, the total amount that may be
20 used for municipal operations may not exceed the total amount
21 of the proceeds disbursed to the municipality under this
22 Section, Section 8-11-1.3, and Section 8-11-1.4, multiplied by
23 a fraction having a numerator of 1 and a denominator of the
24 rate of tax. Such tax shall be collected from persons whose
25 Illinois address for title or registration purposes is given as
26 being in such municipality. Such tax shall be collected by the

1 municipality imposing such tax. A non-home rule municipality
2 may not impose and collect the tax prior to January 1, 2002.

3 This Section shall be known and may be cited as the
4 "Non-Home Rule Municipal Use Tax Act".

5 (Source: P.A. 96-1057, eff. 7-14-10; 97-837, eff. 7-20-12.)

6 Section 99. Effective date. This Act takes effect upon
7 becoming law.