

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 Income Tax Act is amended by
5 changing Section 901 as follows:

6 (35 ILCS 5/901) (from Ch. 120, par. 9-901)

7 Sec. 901. Collection authority.

8 (a) In general. The Department shall collect the taxes
9 imposed by this Act. The Department shall collect certified
10 past due child support amounts under Section 2505-650 of the
11 Department of Revenue Law of the Civil Administrative Code of
12 Illinois. Except as provided in subsections (b), (c), (e), (f),
13 (g), and (h) of this Section, money collected pursuant to
14 subsections (a) and (b) of Section 201 of this Act shall be
15 paid into the General Revenue Fund in the State treasury; money
16 collected pursuant to subsections (c) and (d) of Section 201 of
17 this Act shall be paid into the Personal Property Tax
18 Replacement Fund, a special fund in the State Treasury; and
19 money collected under Section 2505-650 of the Department of
20 Revenue Law of the Civil Administrative Code of Illinois shall
21 be paid into the Child Support Enforcement Trust Fund, a
22 special fund outside the State Treasury, or to the State
23 Disbursement Unit established under Section 10-26 of the

1 Illinois Public Aid Code, as directed by the Department of
2 Healthcare and Family Services.

3 (b) Local Government Distributive Fund. Beginning August
4 1, 1969, and continuing through June 30, 1994, the Treasurer
5 shall transfer each month from the General Revenue Fund to a
6 special fund in the State treasury, to be known as the "Local
7 Government Distributive Fund", an amount equal to 1/12 of the
8 net revenue realized from the tax imposed by subsections (a)
9 and (b) of Section 201 of this Act during the preceding month.
10 Beginning July 1, 1994, and continuing through June 30, 1995,
11 the Treasurer shall transfer each month from the General
12 Revenue Fund to the Local Government Distributive Fund an
13 amount equal to 1/11 of the net revenue realized from the tax
14 imposed by subsections (a) and (b) of Section 201 of this Act
15 during the preceding month. Beginning July 1, 1995 and
16 continuing through January 31, 2011, the Treasurer shall
17 transfer each month from the General Revenue Fund to the Local
18 Government Distributive Fund an amount equal to the net of (i)
19 1/10 of the net revenue realized from the tax imposed by
20 subsections (a) and (b) of Section 201 of the Illinois Income
21 Tax Act during the preceding month (ii) minus, beginning July
22 1, 2003 and ending June 30, 2004, \$6,666,666, and beginning
23 July 1, 2004, zero. Beginning February 1, 2011, and continuing
24 through January 31, 2015, the Treasurer shall transfer each
25 month from the General Revenue Fund to the Local Government
26 Distributive Fund an amount equal to the sum of (i) 6% (10% of

1 the ratio of the 3% individual income tax rate prior to 2011 to
2 the 5% individual income tax rate after 2010) of the net
3 revenue realized from the tax imposed by subsections (a) and
4 (b) of Section 201 of this Act upon individuals, trusts, and
5 estates during the preceding month and (ii) 6.86% (10% of the
6 ratio of the 4.8% corporate income tax rate prior to 2011 to
7 the 7% corporate income tax rate after 2010) of the net revenue
8 realized from the tax imposed by subsections (a) and (b) of
9 Section 201 of this Act upon corporations during the preceding
10 month. Beginning February 1, 2015 and continuing through July
11 31, 2017, the Treasurer shall transfer each month from the
12 General Revenue Fund to the Local Government Distributive Fund
13 an amount equal to the sum of (i) 8% (10% of the ratio of the 3%
14 individual income tax rate prior to 2011 to the 3.75%
15 individual income tax rate after 2014) of the net revenue
16 realized from the tax imposed by subsections (a) and (b) of
17 Section 201 of this Act upon individuals, trusts, and estates
18 during the preceding month and (ii) 9.14% (10% of the ratio of
19 the 4.8% corporate income tax rate prior to 2011 to the 5.25%
20 corporate income tax rate after 2014) of the net revenue
21 realized from the tax imposed by subsections (a) and (b) of
22 Section 201 of this Act upon corporations during the preceding
23 month. Beginning August 1, 2017 and continuing through January
24 31, 2020, the Treasurer shall transfer each month from the
25 General Revenue Fund to the Local Government Distributive Fund
26 an amount equal to the sum of (i) 6.06% (10% of the ratio of the

1 3% individual income tax rate prior to 2011 to the 4.95%
2 individual income tax rate after July 1, 2017) of the net
3 revenue realized from the tax imposed by subsections (a) and
4 (b) of Section 201 of this Act upon individuals, trusts, and
5 estates during the preceding month and (ii) 6.85% (10% of the
6 ratio of the 4.8% corporate income tax rate prior to 2011 to
7 the 7% corporate income tax rate after July 1, 2017) of the net
8 revenue realized from the tax imposed by subsections (a) and
9 (b) of Section 201 of this Act upon corporations during the
10 preceding month. Beginning February 1, 2020 and continuing
11 through January 31, 2021, the Treasurer shall transfer each
12 month from the General Revenue Fund to the Local Government
13 Distributive Fund an amount equal to the sum of (i) 8.5% of the
14 net revenue realized from the tax imposed by subsections (a)
15 and (b) of Section 201 of this Act upon individuals, trusts,
16 and estates during the preceding month and (ii) 9.355% of the
17 net revenue realized from the tax imposed by subsections (a)
18 and (b) of Section 201 of this Act upon corporations during the
19 preceding month. Beginning February 1, 2021 and continuing
20 through January 31, 2022, the Treasurer shall transfer each
21 month from the General Revenue Fund to the Local Government
22 Distributive Fund an amount equal to the sum of (i) 9% of the
23 net revenue realized from the tax imposed by subsections (a)
24 and (b) of Section 201 of this Act upon individuals, trusts,
25 and estates during the preceding month and (ii) 9.57% of the
26 net revenue realized from the tax imposed by subsections (a)

1 and (b) of Section 201 of this Act upon corporations during the
2 preceding month. Beginning February 1, 2022 and continuing
3 through January 31, 2023, the Treasurer shall transfer each
4 month from the General Revenue Fund to the Local Government
5 Distributive Fund an amount equal to the sum of (i) 9.5% of the
6 net revenue realized from the tax imposed by subsections (a)
7 and (b) of Section 201 of this Act upon individuals, trusts,
8 and estates during the preceding month and (ii) 9.785% of the
9 net revenue realized from the tax imposed by subsections (a)
10 and (b) of Section 201 of this Act upon corporations during the
11 preceding month. Beginning on February 1, 2023, the Treasurer
12 shall transfer each month from the General Revenue Fund to the
13 Local Government Distributive Fund an amount equal to 10% of
14 the net revenue realized from the tax imposed on individuals,
15 trusts, estates, and corporations by subsections (a) and (b) of
16 Section 201 of the Illinois Income Tax Act during the preceding
17 month. Net revenue realized for a month shall be defined as the
18 revenue from the tax imposed by subsections (a) and (b) of
19 Section 201 of this Act which is deposited in the General
20 Revenue Fund, the Education Assistance Fund, the Income Tax
21 Surcharge Local Government Distributive Fund, the Fund for the
22 Advancement of Education, and the Commitment to Human Services
23 Fund during the month minus the amount paid out of the General
24 Revenue Fund in State warrants during that same month as
25 refunds to taxpayers for overpayment of liability under the tax
26 imposed by subsections (a) and (b) of Section 201 of this Act.

1 Notwithstanding any provision of law to the contrary,
2 beginning on July 6, 2017 (the effective date of Public Act
3 100-23), those amounts required under this subsection (b) to be
4 transferred by the Treasurer into the Local Government
5 Distributive Fund from the General Revenue Fund shall be
6 directly deposited into the Local Government Distributive Fund
7 as the revenue is realized from the tax imposed by subsections
8 (a) and (b) of Section 201 of this Act.

9 For State fiscal year 2018 only, notwithstanding any
10 provision of law to the contrary, the total amount of revenue
11 and deposits under this Section attributable to revenues
12 realized during State fiscal year 2018 shall be reduced by 10%.

13 For State fiscal year 2019 only, notwithstanding any
14 provision of law to the contrary, the total amount of revenue
15 and deposits under this Section attributable to revenues
16 realized during State fiscal year 2019 shall be reduced by 5%.

17 (c) Deposits Into Income Tax Refund Fund.

18 (1) Beginning on January 1, 1989 and thereafter, the
19 Department shall deposit a percentage of the amounts
20 collected pursuant to subsections (a) and (b) (1), (2), and
21 (3) of Section 201 of this Act into a fund in the State
22 treasury known as the Income Tax Refund Fund. The
23 Department shall deposit 6% of such amounts during the
24 period beginning January 1, 1989 and ending on June 30,
25 1989. Beginning with State fiscal year 1990 and for each
26 fiscal year thereafter, the percentage deposited into the

1 Income Tax Refund Fund during a fiscal year shall be the
2 Annual Percentage. For fiscal years 1999 through 2001, the
3 Annual Percentage shall be 7.1%. For fiscal year 2003, the
4 Annual Percentage shall be 8%. For fiscal year 2004, the
5 Annual Percentage shall be 11.7%. Upon the effective date
6 of Public Act 93-839 (July 30, 2004), the Annual Percentage
7 shall be 10% for fiscal year 2005. For fiscal year 2006,
8 the Annual Percentage shall be 9.75%. For fiscal year 2007,
9 the Annual Percentage shall be 9.75%. For fiscal year 2008,
10 the Annual Percentage shall be 7.75%. For fiscal year 2009,
11 the Annual Percentage shall be 9.75%. For fiscal year 2010,
12 the Annual Percentage shall be 9.75%. For fiscal year 2011,
13 the Annual Percentage shall be 8.75%. For fiscal year 2012,
14 the Annual Percentage shall be 8.75%. For fiscal year 2013,
15 the Annual Percentage shall be 9.75%. For fiscal year 2014,
16 the Annual Percentage shall be 9.5%. For fiscal year 2015,
17 the Annual Percentage shall be 10%. For fiscal year 2018,
18 the Annual Percentage shall be 9.8%. For fiscal year 2019,
19 the Annual Percentage shall be 9.7%. For all other fiscal
20 years, the Annual Percentage shall be calculated as a
21 fraction, the numerator of which shall be the amount of
22 refunds approved for payment by the Department during the
23 preceding fiscal year as a result of overpayment of tax
24 liability under subsections (a) and (b) (1), (2), and (3) of
25 Section 201 of this Act plus the amount of such refunds
26 remaining approved but unpaid at the end of the preceding

1 fiscal year, minus the amounts transferred into the Income
2 Tax Refund Fund from the Tobacco Settlement Recovery Fund,
3 and the denominator of which shall be the amounts which
4 will be collected pursuant to subsections (a) and (b) (1),
5 (2), and (3) of Section 201 of this Act during the
6 preceding fiscal year; except that in State fiscal year
7 2002, the Annual Percentage shall in no event exceed 7.6%.
8 The Director of Revenue shall certify the Annual Percentage
9 to the Comptroller on the last business day of the fiscal
10 year immediately preceding the fiscal year for which it is
11 to be effective.

12 (2) Beginning on January 1, 1989 and thereafter, the
13 Department shall deposit a percentage of the amounts
14 collected pursuant to subsections (a) and (b) (6), (7), and
15 (8), (c) and (d) of Section 201 of this Act into a fund in
16 the State treasury known as the Income Tax Refund Fund. The
17 Department shall deposit 18% of such amounts during the
18 period beginning January 1, 1989 and ending on June 30,
19 1989. Beginning with State fiscal year 1990 and for each
20 fiscal year thereafter, the percentage deposited into the
21 Income Tax Refund Fund during a fiscal year shall be the
22 Annual Percentage. For fiscal years 1999, 2000, and 2001,
23 the Annual Percentage shall be 19%. For fiscal year 2003,
24 the Annual Percentage shall be 27%. For fiscal year 2004,
25 the Annual Percentage shall be 32%. Upon the effective date
26 of Public Act 93-839 (July 30, 2004), the Annual Percentage

1 shall be 24% for fiscal year 2005. For fiscal year 2006,
2 the Annual Percentage shall be 20%. For fiscal year 2007,
3 the Annual Percentage shall be 17.5%. For fiscal year 2008,
4 the Annual Percentage shall be 15.5%. For fiscal year 2009,
5 the Annual Percentage shall be 17.5%. For fiscal year 2010,
6 the Annual Percentage shall be 17.5%. For fiscal year 2011,
7 the Annual Percentage shall be 17.5%. For fiscal year 2012,
8 the Annual Percentage shall be 17.5%. For fiscal year 2013,
9 the Annual Percentage shall be 14%. For fiscal year 2014,
10 the Annual Percentage shall be 13.4%. For fiscal year 2015,
11 the Annual Percentage shall be 14%. For fiscal year 2018,
12 the Annual Percentage shall be 17.5%. For fiscal year 2019,
13 the Annual Percentage shall be 15.5%. For all other fiscal
14 years, the Annual Percentage shall be calculated as a
15 fraction, the numerator of which shall be the amount of
16 refunds approved for payment by the Department during the
17 preceding fiscal year as a result of overpayment of tax
18 liability under subsections (a) and (b) (6), (7), and (8),
19 (c) and (d) of Section 201 of this Act plus the amount of
20 such refunds remaining approved but unpaid at the end of
21 the preceding fiscal year, and the denominator of which
22 shall be the amounts which will be collected pursuant to
23 subsections (a) and (b) (6), (7), and (8), (c) and (d) of
24 Section 201 of this Act during the preceding fiscal year;
25 except that in State fiscal year 2002, the Annual
26 Percentage shall in no event exceed 23%. The Director of

1 Revenue shall certify the Annual Percentage to the
2 Comptroller on the last business day of the fiscal year
3 immediately preceding the fiscal year for which it is to be
4 effective.

5 (3) The Comptroller shall order transferred and the
6 Treasurer shall transfer from the Tobacco Settlement
7 Recovery Fund to the Income Tax Refund Fund (i) \$35,000,000
8 in January, 2001, (ii) \$35,000,000 in January, 2002, and
9 (iii) \$35,000,000 in January, 2003.

10 (d) Expenditures from Income Tax Refund Fund.

11 (1) Beginning January 1, 1989, money in the Income Tax
12 Refund Fund shall be expended exclusively for the purpose
13 of paying refunds resulting from overpayment of tax
14 liability under Section 201 of this Act and for making
15 transfers pursuant to this subsection (d).

16 (2) The Director shall order payment of refunds
17 resulting from overpayment of tax liability under Section
18 201 of this Act from the Income Tax Refund Fund only to the
19 extent that amounts collected pursuant to Section 201 of
20 this Act and transfers pursuant to this subsection (d) and
21 item (3) of subsection (c) have been deposited and retained
22 in the Fund.

23 (3) As soon as possible after the end of each fiscal
24 year, the Director shall order transferred and the State
25 Treasurer and State Comptroller shall transfer from the
26 Income Tax Refund Fund to the Personal Property Tax

1 Replacement Fund an amount, certified by the Director to
2 the Comptroller, equal to the excess of the amount
3 collected pursuant to subsections (c) and (d) of Section
4 201 of this Act deposited into the Income Tax Refund Fund
5 during the fiscal year over the amount of refunds resulting
6 from overpayment of tax liability under subsections (c) and
7 (d) of Section 201 of this Act paid from the Income Tax
8 Refund Fund during the fiscal year.

9 (4) As soon as possible after the end of each fiscal
10 year, the Director shall order transferred and the State
11 Treasurer and State Comptroller shall transfer from the
12 Personal Property Tax Replacement Fund to the Income Tax
13 Refund Fund an amount, certified by the Director to the
14 Comptroller, equal to the excess of the amount of refunds
15 resulting from overpayment of tax liability under
16 subsections (c) and (d) of Section 201 of this Act paid
17 from the Income Tax Refund Fund during the fiscal year over
18 the amount collected pursuant to subsections (c) and (d) of
19 Section 201 of this Act deposited into the Income Tax
20 Refund Fund during the fiscal year.

21 (4.5) As soon as possible after the end of fiscal year
22 1999 and of each fiscal year thereafter, the Director shall
23 order transferred and the State Treasurer and State
24 Comptroller shall transfer from the Income Tax Refund Fund
25 to the General Revenue Fund any surplus remaining in the
26 Income Tax Refund Fund as of the end of such fiscal year;

1 excluding for fiscal years 2000, 2001, and 2002 amounts
2 attributable to transfers under item (3) of subsection (c)
3 less refunds resulting from the earned income tax credit.

4 (5) This Act shall constitute an irrevocable and
5 continuing appropriation from the Income Tax Refund Fund
6 for the purpose of paying refunds upon the order of the
7 Director in accordance with the provisions of this Section.

8 (e) Deposits into the Education Assistance Fund and the
9 Income Tax Surcharge Local Government Distributive Fund. On
10 July 1, 1991, and thereafter, of the amounts collected pursuant
11 to subsections (a) and (b) of Section 201 of this Act, minus
12 deposits into the Income Tax Refund Fund, the Department shall
13 deposit 7.3% into the Education Assistance Fund in the State
14 Treasury. Beginning July 1, 1991, and continuing through
15 January 31, 1993, of the amounts collected pursuant to
16 subsections (a) and (b) of Section 201 of the Illinois Income
17 Tax Act, minus deposits into the Income Tax Refund Fund, the
18 Department shall deposit 3.0% into the Income Tax Surcharge
19 Local Government Distributive Fund in the State Treasury.
20 Beginning February 1, 1993 and continuing through June 30,
21 1993, of the amounts collected pursuant to subsections (a) and
22 (b) of Section 201 of the Illinois Income Tax Act, minus
23 deposits into the Income Tax Refund Fund, the Department shall
24 deposit 4.4% into the Income Tax Surcharge Local Government
25 Distributive Fund in the State Treasury. Beginning July 1,
26 1993, and continuing through June 30, 1994, of the amounts

1 collected under subsections (a) and (b) of Section 201 of this
2 Act, minus deposits into the Income Tax Refund Fund, the
3 Department shall deposit 1.475% into the Income Tax Surcharge
4 Local Government Distributive Fund in the State Treasury.

5 (f) Deposits into the Fund for the Advancement of
6 Education. Beginning February 1, 2015, the Department shall
7 deposit the following portions of the revenue realized from the
8 tax imposed upon individuals, trusts, and estates by
9 subsections (a) and (b) of Section 201 of this Act during the
10 preceding month, minus deposits into the Income Tax Refund
11 Fund, into the Fund for the Advancement of Education:

12 (1) beginning February 1, 2015, and prior to February
13 1, 2025, 1/30; and

14 (2) beginning February 1, 2025, 1/26.

15 If the rate of tax imposed by subsection (a) and (b) of
16 Section 201 is reduced pursuant to Section 201.5 of this Act,
17 the Department shall not make the deposits required by this
18 subsection (f) on or after the effective date of the reduction.

19 (g) Deposits into the Commitment to Human Services Fund.
20 Beginning February 1, 2015, the Department shall deposit the
21 following portions of the revenue realized from the tax imposed
22 upon individuals, trusts, and estates by subsections (a) and
23 (b) of Section 201 of this Act during the preceding month,
24 minus deposits into the Income Tax Refund Fund, into the
25 Commitment to Human Services Fund:

26 (1) beginning February 1, 2015, and prior to February

1 1, 2025, 1/30; and

2 (2) beginning February 1, 2025, 1/26.

3 If the rate of tax imposed by subsection (a) and (b) of
4 Section 201 is reduced pursuant to Section 201.5 of this Act,
5 the Department shall not make the deposits required by this
6 subsection (g) on or after the effective date of the reduction.

7 (h) Deposits into the Tax Compliance and Administration
8 Fund. Beginning on the first day of the first calendar month to
9 occur on or after August 26, 2014 (the effective date of Public
10 Act 98-1098), each month the Department shall pay into the Tax
11 Compliance and Administration Fund, to be used, subject to
12 appropriation, to fund additional auditors and compliance
13 personnel at the Department, an amount equal to 1/12 of 5% of
14 the cash receipts collected during the preceding fiscal year by
15 the Audit Bureau of the Department from the tax imposed by
16 subsections (a), (b), (c), and (d) of Section 201 of this Act,
17 net of deposits into the Income Tax Refund Fund made from those
18 cash receipts.

19 (Source: P.A. 99-78, eff. 7-20-15; 100-22, eff. 7-6-17; 100-23,
20 eff. 7-6-17; 100-587, eff. 6-4-18; 100-621, eff. 7-20-18;
21 100-863, eff. 8-14-18; revised 10-12-18.)

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.