



## 101ST GENERAL ASSEMBLY

### State of Illinois

2019 and 2020

HB5618

by Rep. Barbara Hernandez

#### SYNOPSIS AS INTRODUCED:

35 ILCS 105/3-5  
35 ILCS 110/3-5  
35 ILCS 115/3-5  
35 ILCS 120/2-5

Amends the Use Tax Act, the Service Use Tax Act, the Service Occupation Tax Act, and the Retailers' Occupation Tax Act. Provides that, beginning on July 1, 2020, breast pumps, breast pump collection and storage supplies, and breast pump kits are exempt from the taxes imposed under those Acts. Effective immediately.

LRB101 19229 HLH 68693 b

FISCAL NOTE ACT  
MAY APPLY

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 Use Tax Act is amended by changing Section  
5 3-5 as follows:

6 (35 ILCS 105/3-5)

7 Sec. 3-5. Exemptions. Use of the following tangible  
8 personal property is exempt from the tax imposed by this Act:

9 (1) Personal property purchased from a corporation,  
10 society, association, foundation, institution, or  
11 organization, other than a limited liability company, that is  
12 organized and operated as a not-for-profit service enterprise  
13 for the benefit of persons 65 years of age or older if the  
14 personal property was not purchased by the enterprise for the  
15 purpose of resale by the enterprise.

16 (2) Personal property purchased by a not-for-profit  
17 Illinois county fair association for use in conducting,  
18 operating, or promoting the county fair.

19 (3) Personal property purchased by a not-for-profit arts or  
20 cultural organization that establishes, by proof required by  
21 the Department by rule, that it has received an exemption under  
22 Section 501(c)(3) of the Internal Revenue Code and that is  
23 organized and operated primarily for the presentation or

1 support of arts or cultural programming, activities, or  
2 services. These organizations include, but are not limited to,  
3 music and dramatic arts organizations such as symphony  
4 orchestras and theatrical groups, arts and cultural service  
5 organizations, local arts councils, visual arts organizations,  
6 and media arts organizations. On and after July 1, 2001 (the  
7 effective date of Public Act 92-35), however, an entity  
8 otherwise eligible for this exemption shall not make tax-free  
9 purchases unless it has an active identification number issued  
10 by the Department.

11 (4) Personal property purchased by a governmental body, by  
12 a corporation, society, association, foundation, or  
13 institution organized and operated exclusively for charitable,  
14 religious, or educational purposes, or by a not-for-profit  
15 corporation, society, association, foundation, institution, or  
16 organization that has no compensated officers or employees and  
17 that is organized and operated primarily for the recreation of  
18 persons 55 years of age or older. A limited liability company  
19 may qualify for the exemption under this paragraph only if the  
20 limited liability company is organized and operated  
21 exclusively for educational purposes. On and after July 1,  
22 1987, however, no entity otherwise eligible for this exemption  
23 shall make tax-free purchases unless it has an active exemption  
24 identification number issued by the Department.

25 (5) Until July 1, 2003, a passenger car that is a  
26 replacement vehicle to the extent that the purchase price of

1 the car is subject to the Replacement Vehicle Tax.

2 (6) Until July 1, 2003 and beginning again on September 1,  
3 2004 through August 30, 2014, graphic arts machinery and  
4 equipment, including repair and replacement parts, both new and  
5 used, and including that manufactured on special order,  
6 certified by the purchaser to be used primarily for graphic  
7 arts production, and including machinery and equipment  
8 purchased for lease. Equipment includes chemicals or chemicals  
9 acting as catalysts but only if the chemicals or chemicals  
10 acting as catalysts effect a direct and immediate change upon a  
11 graphic arts product. Beginning on July 1, 2017, graphic arts  
12 machinery and equipment is included in the manufacturing and  
13 assembling machinery and equipment exemption under paragraph  
14 (18).

15 (7) Farm chemicals.

16 (8) Legal tender, currency, medallions, or gold or silver  
17 coinage issued by the State of Illinois, the government of the  
18 United States of America, or the government of any foreign  
19 country, and bullion.

20 (9) Personal property purchased from a teacher-sponsored  
21 student organization affiliated with an elementary or  
22 secondary school located in Illinois.

23 (10) A motor vehicle that is used for automobile renting,  
24 as defined in the Automobile Renting Occupation and Use Tax  
25 Act.

26 (11) Farm machinery and equipment, both new and used,

1 including that manufactured on special order, certified by the  
2 purchaser to be used primarily for production agriculture or  
3 State or federal agricultural programs, including individual  
4 replacement parts for the machinery and equipment, including  
5 machinery and equipment purchased for lease, and including  
6 implements of husbandry defined in Section 1-130 of the  
7 Illinois Vehicle Code, farm machinery and agricultural  
8 chemical and fertilizer spreaders, and nurse wagons required to  
9 be registered under Section 3-809 of the Illinois Vehicle Code,  
10 but excluding other motor vehicles required to be registered  
11 under the Illinois Vehicle Code. Horticultural polyhouses or  
12 hoop houses used for propagating, growing, or overwintering  
13 plants shall be considered farm machinery and equipment under  
14 this item (11). Agricultural chemical tender tanks and dry  
15 boxes shall include units sold separately from a motor vehicle  
16 required to be licensed and units sold mounted on a motor  
17 vehicle required to be licensed if the selling price of the  
18 tender is separately stated.

19 Farm machinery and equipment shall include precision  
20 farming equipment that is installed or purchased to be  
21 installed on farm machinery and equipment including, but not  
22 limited to, tractors, harvesters, sprayers, planters, seeders,  
23 or spreaders. Precision farming equipment includes, but is not  
24 limited to, soil testing sensors, computers, monitors,  
25 software, global positioning and mapping systems, and other  
26 such equipment.

1 Farm machinery and equipment also includes computers,  
2 sensors, software, and related equipment used primarily in the  
3 computer-assisted operation of production agriculture  
4 facilities, equipment, and activities such as, but not limited  
5 to, the collection, monitoring, and correlation of animal and  
6 crop data for the purpose of formulating animal diets and  
7 agricultural chemicals. This item (11) is exempt from the  
8 provisions of Section 3-90.

9 (12) Until June 30, 2013, fuel and petroleum products sold  
10 to or used by an air common carrier, certified by the carrier  
11 to be used for consumption, shipment, or storage in the conduct  
12 of its business as an air common carrier, for a flight destined  
13 for or returning from a location or locations outside the  
14 United States without regard to previous or subsequent domestic  
15 stopovers.

16 Beginning July 1, 2013, fuel and petroleum products sold to  
17 or used by an air carrier, certified by the carrier to be used  
18 for consumption, shipment, or storage in the conduct of its  
19 business as an air common carrier, for a flight that (i) is  
20 engaged in foreign trade or is engaged in trade between the  
21 United States and any of its possessions and (ii) transports at  
22 least one individual or package for hire from the city of  
23 origination to the city of final destination on the same  
24 aircraft, without regard to a change in the flight number of  
25 that aircraft.

26 (13) Proceeds of mandatory service charges separately

1 stated on customers' bills for the purchase and consumption of  
2 food and beverages purchased at retail from a retailer, to the  
3 extent that the proceeds of the service charge are in fact  
4 turned over as tips or as a substitute for tips to the  
5 employees who participate directly in preparing, serving,  
6 hosting or cleaning up the food or beverage function with  
7 respect to which the service charge is imposed.

8 (14) Until July 1, 2003, oil field exploration, drilling,  
9 and production equipment, including (i) rigs and parts of rigs,  
10 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
11 tubular goods, including casing and drill strings, (iii) pumps  
12 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
13 individual replacement part for oil field exploration,  
14 drilling, and production equipment, and (vi) machinery and  
15 equipment purchased for lease; but excluding motor vehicles  
16 required to be registered under the Illinois Vehicle Code.

17 (15) Photoprocessing machinery and equipment, including  
18 repair and replacement parts, both new and used, including that  
19 manufactured on special order, certified by the purchaser to be  
20 used primarily for photoprocessing, and including  
21 photoprocessing machinery and equipment purchased for lease.

22 (16) Until July 1, 2023, coal and aggregate exploration,  
23 mining, off-highway hauling, processing, maintenance, and  
24 reclamation equipment, including replacement parts and  
25 equipment, and including equipment purchased for lease, but  
26 excluding motor vehicles required to be registered under the

1 Illinois Vehicle Code. The changes made to this Section by  
2 Public Act 97-767 apply on and after July 1, 2003, but no claim  
3 for credit or refund is allowed on or after August 16, 2013  
4 (the effective date of Public Act 98-456) for such taxes paid  
5 during the period beginning July 1, 2003 and ending on August  
6 16, 2013 (the effective date of Public Act 98-456).

7 (17) Until July 1, 2003, distillation machinery and  
8 equipment, sold as a unit or kit, assembled or installed by the  
9 retailer, certified by the user to be used only for the  
10 production of ethyl alcohol that will be used for consumption  
11 as motor fuel or as a component of motor fuel for the personal  
12 use of the user, and not subject to sale or resale.

13 (18) Manufacturing and assembling machinery and equipment  
14 used primarily in the process of manufacturing or assembling  
15 tangible personal property for wholesale or retail sale or  
16 lease, whether that sale or lease is made directly by the  
17 manufacturer or by some other person, whether the materials  
18 used in the process are owned by the manufacturer or some other  
19 person, or whether that sale or lease is made apart from or as  
20 an incident to the seller's engaging in the service occupation  
21 of producing machines, tools, dies, jigs, patterns, gauges, or  
22 other similar items of no commercial value on special order for  
23 a particular purchaser. The exemption provided by this  
24 paragraph (18) includes production related tangible personal  
25 property, as defined in Section 3-50, purchased on or after  
26 July 1, 2019. The exemption provided by this paragraph (18)



1 does not include machinery and equipment used in (i) the  
2 generation of electricity for wholesale or retail sale; (ii)  
3 the generation or treatment of natural or artificial gas for  
4 wholesale or retail sale that is delivered to customers through  
5 pipes, pipelines, or mains; or (iii) the treatment of water for  
6 wholesale or retail sale that is delivered to customers through  
7 pipes, pipelines, or mains. The provisions of Public Act 98-583  
8 are declaratory of existing law as to the meaning and scope of  
9 this exemption. Beginning on July 1, 2017, the exemption  
10 provided by this paragraph (18) includes, but is not limited  
11 to, graphic arts machinery and equipment, as defined in  
12 paragraph (6) of this Section.

13 (19) Personal property delivered to a purchaser or  
14 purchaser's donee inside Illinois when the purchase order for  
15 that personal property was received by a florist located  
16 outside Illinois who has a florist located inside Illinois  
17 deliver the personal property.

18 (20) Semen used for artificial insemination of livestock  
19 for direct agricultural production.

20 (21) Horses, or interests in horses, registered with and  
21 meeting the requirements of any of the Arabian Horse Club  
22 Registry of America, Appaloosa Horse Club, American Quarter  
23 Horse Association, United States Trotting Association, or  
24 Jockey Club, as appropriate, used for purposes of breeding or  
25 racing for prizes. This item (21) is exempt from the provisions  
26 of Section 3-90, and the exemption provided for under this item

1 (21) applies for all periods beginning May 30, 1995, but no  
2 claim for credit or refund is allowed on or after January 1,  
3 2008 for such taxes paid during the period beginning May 30,  
4 2000 and ending on January 1, 2008.

5 (22) Computers and communications equipment utilized for  
6 any hospital purpose and equipment used in the diagnosis,  
7 analysis, or treatment of hospital patients purchased by a  
8 lessor who leases the equipment, under a lease of one year or  
9 longer executed or in effect at the time the lessor would  
10 otherwise be subject to the tax imposed by this Act, to a  
11 hospital that has been issued an active tax exemption  
12 identification number by the Department under Section 1g of the  
13 Retailers' Occupation Tax Act. If the equipment is leased in a  
14 manner that does not qualify for this exemption or is used in  
15 any other non-exempt manner, the lessor shall be liable for the  
16 tax imposed under this Act or the Service Use Tax Act, as the  
17 case may be, based on the fair market value of the property at  
18 the time the non-qualifying use occurs. No lessor shall collect  
19 or attempt to collect an amount (however designated) that  
20 purports to reimburse that lessor for the tax imposed by this  
21 Act or the Service Use Tax Act, as the case may be, if the tax  
22 has not been paid by the lessor. If a lessor improperly  
23 collects any such amount from the lessee, the lessee shall have  
24 a legal right to claim a refund of that amount from the lessor.  
25 If, however, that amount is not refunded to the lessee for any  
26 reason, the lessor is liable to pay that amount to the

1 Department.

2 (23) Personal property purchased by a lessor who leases the  
3 property, under a lease of one year or longer executed or in  
4 effect at the time the lessor would otherwise be subject to the  
5 tax imposed by this Act, to a governmental body that has been  
6 issued an active sales tax exemption identification number by  
7 the Department under Section 1g of the Retailers' Occupation  
8 Tax Act. If the property is leased in a manner that does not  
9 qualify for this exemption or used in any other non-exempt  
10 manner, the lessor shall be liable for the tax imposed under  
11 this Act or the Service Use Tax Act, as the case may be, based  
12 on the fair market value of the property at the time the  
13 non-qualifying use occurs. No lessor shall collect or attempt  
14 to collect an amount (however designated) that purports to  
15 reimburse that lessor for the tax imposed by this Act or the  
16 Service Use Tax Act, as the case may be, if the tax has not been  
17 paid by the lessor. If a lessor improperly collects any such  
18 amount from the lessee, the lessee shall have a legal right to  
19 claim a refund of that amount from the lessor. If, however,  
20 that amount is not refunded to the lessee for any reason, the  
21 lessor is liable to pay that amount to the Department.

22 (24) Beginning with taxable years ending on or after  
23 December 31, 1995 and ending with taxable years ending on or  
24 before December 31, 2004, personal property that is donated for  
25 disaster relief to be used in a State or federally declared  
26 disaster area in Illinois or bordering Illinois by a

1 manufacturer or retailer that is registered in this State to a  
2 corporation, society, association, foundation, or institution  
3 that has been issued a sales tax exemption identification  
4 number by the Department that assists victims of the disaster  
5 who reside within the declared disaster area.

6 (25) Beginning with taxable years ending on or after  
7 December 31, 1995 and ending with taxable years ending on or  
8 before December 31, 2004, personal property that is used in the  
9 performance of infrastructure repairs in this State, including  
10 but not limited to municipal roads and streets, access roads,  
11 bridges, sidewalks, waste disposal systems, water and sewer  
12 line extensions, water distribution and purification  
13 facilities, storm water drainage and retention facilities, and  
14 sewage treatment facilities, resulting from a State or  
15 federally declared disaster in Illinois or bordering Illinois  
16 when such repairs are initiated on facilities located in the  
17 declared disaster area within 6 months after the disaster.

18 (26) Beginning July 1, 1999, game or game birds purchased  
19 at a "game breeding and hunting preserve area" as that term is  
20 used in the Wildlife Code. This paragraph is exempt from the  
21 provisions of Section 3-90.

22 (27) A motor vehicle, as that term is defined in Section  
23 1-146 of the Illinois Vehicle Code, that is donated to a  
24 corporation, limited liability company, society, association,  
25 foundation, or institution that is determined by the Department  
26 to be organized and operated exclusively for educational

1 purposes. For purposes of this exemption, "a corporation,  
2 limited liability company, society, association, foundation,  
3 or institution organized and operated exclusively for  
4 educational purposes" means all tax-supported public schools,  
5 private schools that offer systematic instruction in useful  
6 branches of learning by methods common to public schools and  
7 that compare favorably in their scope and intensity with the  
8 course of study presented in tax-supported schools, and  
9 vocational or technical schools or institutes organized and  
10 operated exclusively to provide a course of study of not less  
11 than 6 weeks duration and designed to prepare individuals to  
12 follow a trade or to pursue a manual, technical, mechanical,  
13 industrial, business, or commercial occupation.

14 (28) Beginning January 1, 2000, personal property,  
15 including food, purchased through fundraising events for the  
16 benefit of a public or private elementary or secondary school,  
17 a group of those schools, or one or more school districts if  
18 the events are sponsored by an entity recognized by the school  
19 district that consists primarily of volunteers and includes  
20 parents and teachers of the school children. This paragraph  
21 does not apply to fundraising events (i) for the benefit of  
22 private home instruction or (ii) for which the fundraising  
23 entity purchases the personal property sold at the events from  
24 another individual or entity that sold the property for the  
25 purpose of resale by the fundraising entity and that profits  
26 from the sale to the fundraising entity. This paragraph is

1 exempt from the provisions of Section 3-90.

2 (29) Beginning January 1, 2000 and through December 31,  
3 2001, new or used automatic vending machines that prepare and  
4 serve hot food and beverages, including coffee, soup, and other  
5 items, and replacement parts for these machines. Beginning  
6 January 1, 2002 and through June 30, 2003, machines and parts  
7 for machines used in commercial, coin-operated amusement and  
8 vending business if a use or occupation tax is paid on the  
9 gross receipts derived from the use of the commercial,  
10 coin-operated amusement and vending machines. This paragraph  
11 is exempt from the provisions of Section 3-90.

12 (30) Beginning January 1, 2001 and through June 30, 2016,  
13 food for human consumption that is to be consumed off the  
14 premises where it is sold (other than alcoholic beverages, soft  
15 drinks, and food that has been prepared for immediate  
16 consumption) and prescription and nonprescription medicines,  
17 drugs, medical appliances, and insulin, urine testing  
18 materials, syringes, and needles used by diabetics, for human  
19 use, when purchased for use by a person receiving medical  
20 assistance under Article V of the Illinois Public Aid Code who  
21 resides in a licensed long-term care facility, as defined in  
22 the Nursing Home Care Act, or in a licensed facility as defined  
23 in the ID/DD Community Care Act, the MC/DD Act, or the  
24 Specialized Mental Health Rehabilitation Act of 2013.

25 (31) Beginning on August 2, 2001 (the effective date of  
26 Public Act 92-227), computers and communications equipment

1 utilized for any hospital purpose and equipment used in the  
2 diagnosis, analysis, or treatment of hospital patients  
3 purchased by a lessor who leases the equipment, under a lease  
4 of one year or longer executed or in effect at the time the  
5 lessor would otherwise be subject to the tax imposed by this  
6 Act, to a hospital that has been issued an active tax exemption  
7 identification number by the Department under Section 1g of the  
8 Retailers' Occupation Tax Act. If the equipment is leased in a  
9 manner that does not qualify for this exemption or is used in  
10 any other nonexempt manner, the lessor shall be liable for the  
11 tax imposed under this Act or the Service Use Tax Act, as the  
12 case may be, based on the fair market value of the property at  
13 the time the nonqualifying use occurs. No lessor shall collect  
14 or attempt to collect an amount (however designated) that  
15 purports to reimburse that lessor for the tax imposed by this  
16 Act or the Service Use Tax Act, as the case may be, if the tax  
17 has not been paid by the lessor. If a lessor improperly  
18 collects any such amount from the lessee, the lessee shall have  
19 a legal right to claim a refund of that amount from the lessor.  
20 If, however, that amount is not refunded to the lessee for any  
21 reason, the lessor is liable to pay that amount to the  
22 Department. This paragraph is exempt from the provisions of  
23 Section 3-90.

24 (32) Beginning on August 2, 2001 (the effective date of  
25 Public Act 92-227), personal property purchased by a lessor who  
26 leases the property, under a lease of one year or longer

1 executed or in effect at the time the lessor would otherwise be  
2 subject to the tax imposed by this Act, to a governmental body  
3 that has been issued an active sales tax exemption  
4 identification number by the Department under Section 1g of the  
5 Retailers' Occupation Tax Act. If the property is leased in a  
6 manner that does not qualify for this exemption or used in any  
7 other nonexempt manner, the lessor shall be liable for the tax  
8 imposed under this Act or the Service Use Tax Act, as the case  
9 may be, based on the fair market value of the property at the  
10 time the nonqualifying use occurs. No lessor shall collect or  
11 attempt to collect an amount (however designated) that purports  
12 to reimburse that lessor for the tax imposed by this Act or the  
13 Service Use Tax Act, as the case may be, if the tax has not been  
14 paid by the lessor. If a lessor improperly collects any such  
15 amount from the lessee, the lessee shall have a legal right to  
16 claim a refund of that amount from the lessor. If, however,  
17 that amount is not refunded to the lessee for any reason, the  
18 lessor is liable to pay that amount to the Department. This  
19 paragraph is exempt from the provisions of Section 3-90.

20 (33) On and after July 1, 2003 and through June 30, 2004,  
21 the use in this State of motor vehicles of the second division  
22 with a gross vehicle weight in excess of 8,000 pounds and that  
23 are subject to the commercial distribution fee imposed under  
24 Section 3-815.1 of the Illinois Vehicle Code. Beginning on July  
25 1, 2004 and through June 30, 2005, the use in this State of  
26 motor vehicles of the second division: (i) with a gross vehicle



1 weight rating in excess of 8,000 pounds; (ii) that are subject  
2 to the commercial distribution fee imposed under Section  
3 3-815.1 of the Illinois Vehicle Code; and (iii) that are  
4 primarily used for commercial purposes. Through June 30, 2005,  
5 this exemption applies to repair and replacement parts added  
6 after the initial purchase of such a motor vehicle if that  
7 motor vehicle is used in a manner that would qualify for the  
8 rolling stock exemption otherwise provided for in this Act. For  
9 purposes of this paragraph, the term "used for commercial  
10 purposes" means the transportation of persons or property in  
11 furtherance of any commercial or industrial enterprise,  
12 whether for-hire or not.

13 (34) Beginning January 1, 2008, tangible personal property  
14 used in the construction or maintenance of a community water  
15 supply, as defined under Section 3.145 of the Environmental  
16 Protection Act, that is operated by a not-for-profit  
17 corporation that holds a valid water supply permit issued under  
18 Title IV of the Environmental Protection Act. This paragraph is  
19 exempt from the provisions of Section 3-90.

20 (35) Beginning January 1, 2010, materials, parts,  
21 equipment, components, and furnishings incorporated into or  
22 upon an aircraft as part of the modification, refurbishment,  
23 completion, replacement, repair, or maintenance of the  
24 aircraft. This exemption includes consumable supplies used in  
25 the modification, refurbishment, completion, replacement,  
26 repair, and maintenance of aircraft, but excludes any

1 materials, parts, equipment, components, and consumable  
2 supplies used in the modification, replacement, repair, and  
3 maintenance of aircraft engines or power plants, whether such  
4 engines or power plants are installed or uninstalled upon any  
5 such aircraft. "Consumable supplies" include, but are not  
6 limited to, adhesive, tape, sandpaper, general purpose  
7 lubricants, cleaning solution, latex gloves, and protective  
8 films. This exemption applies only to the use of qualifying  
9 tangible personal property by persons who modify, refurbish,  
10 complete, repair, replace, or maintain aircraft and who (i)  
11 hold an Air Agency Certificate and are empowered to operate an  
12 approved repair station by the Federal Aviation  
13 Administration, (ii) have a Class IV Rating, and (iii) conduct  
14 operations in accordance with Part 145 of the Federal Aviation  
15 Regulations. The exemption does not include aircraft operated  
16 by a commercial air carrier providing scheduled passenger air  
17 service pursuant to authority issued under Part 121 or Part 129  
18 of the Federal Aviation Regulations. The changes made to this  
19 paragraph (35) by Public Act 98-534 are declarative of existing  
20 law.

21 (36) Tangible personal property purchased by a  
22 public-facilities corporation, as described in Section  
23 11-65-10 of the Illinois Municipal Code, for purposes of  
24 constructing or furnishing a municipal convention hall, but  
25 only if the legal title to the municipal convention hall is  
26 transferred to the municipality without any further

1 consideration by or on behalf of the municipality at the time  
2 of the completion of the municipal convention hall or upon the  
3 retirement or redemption of any bonds or other debt instruments  
4 issued by the public-facilities corporation in connection with  
5 the development of the municipal convention hall. This  
6 exemption includes existing public-facilities corporations as  
7 provided in Section 11-65-25 of the Illinois Municipal Code.  
8 This paragraph is exempt from the provisions of Section 3-90.

9 (37) Beginning January 1, 2017, menstrual pads, tampons,  
10 and menstrual cups.

11 (38) Merchandise that is subject to the Rental Purchase  
12 Agreement Occupation and Use Tax. The purchaser must certify  
13 that the item is purchased to be rented subject to a rental  
14 purchase agreement, as defined in the Rental Purchase Agreement  
15 Act, and provide proof of registration under the Rental  
16 Purchase Agreement Occupation and Use Tax Act. This paragraph  
17 is exempt from the provisions of Section 3-90.

18 (39) Tangible personal property purchased by a purchaser  
19 who is exempt from the tax imposed by this Act by operation of  
20 federal law. This paragraph is exempt from the provisions of  
21 Section 3-90.

22 (40) Qualified tangible personal property used in the  
23 construction or operation of a data center that has been  
24 granted a certificate of exemption by the Department of  
25 Commerce and Economic Opportunity, whether that tangible  
26 personal property is purchased by the owner, operator, or

1 tenant of the data center or by a contractor or subcontractor  
2 of the owner, operator, or tenant. Data centers that would have  
3 qualified for a certificate of exemption prior to January 1,  
4 2020 had Public Act 101-31 ~~this amendatory Act of the 101st~~  
5 ~~General Assembly~~ been in effect, may apply for and obtain an  
6 exemption for subsequent purchases of computer equipment or  
7 enabling software purchased or leased to upgrade, supplement,  
8 or replace computer equipment or enabling software purchased or  
9 leased in the original investment that would have qualified.

10 The Department of Commerce and Economic Opportunity shall  
11 grant a certificate of exemption under this item (40) to  
12 qualified data centers as defined by Section 605-1025 of the  
13 Department of Commerce and Economic Opportunity Law of the  
14 Civil Administrative Code of Illinois.

15 For the purposes of this item (40):

16 "Data center" means a building or a series of buildings  
17 rehabilitated or constructed to house working servers in  
18 one physical location or multiple sites within the State of  
19 Illinois.

20 "Qualified tangible personal property" means:  
21 electrical systems and equipment; climate control and  
22 chilling equipment and systems; mechanical systems and  
23 equipment; monitoring and secure systems; emergency  
24 generators; hardware; computers; servers; data storage  
25 devices; network connectivity equipment; racks; cabinets;  
26 telecommunications cabling infrastructure; raised floor

1 systems; peripheral components or systems; software;  
2 mechanical, electrical, or plumbing systems; battery  
3 systems; cooling systems and towers; temperature control  
4 systems; other cabling; and other data center  
5 infrastructure equipment and systems necessary to operate  
6 qualified tangible personal property, including fixtures;  
7 and component parts of any of the foregoing, including  
8 installation, maintenance, repair, refurbishment, and  
9 replacement of qualified tangible personal property to  
10 generate, transform, transmit, distribute, or manage  
11 electricity necessary to operate qualified tangible  
12 personal property; and all other tangible personal  
13 property that is essential to the operations of a computer  
14 data center. The term "qualified tangible personal  
15 property" also includes building materials physically  
16 incorporated in to the qualifying data center. To document  
17 the exemption allowed under this Section, the retailer must  
18 obtain from the purchaser a copy of the certificate of  
19 eligibility issued by the Department of Commerce and  
20 Economic Opportunity.

21 This item (40) is exempt from the provisions of Section  
22 3-90.

23 (41) Beginning July 1, 2020, breast pumps, breast pump  
24 collection and storage supplies, and breast pump kits. This  
25 item (41) is exempt from the provisions of Section 3-90.

26 As used in this item (41), "breast pump" means an

1 electrically or manually-controlled pump device designed or  
2 marketed to be used to express milk from a human breast during  
3 lactation, including the pump device and any battery, AC  
4 adapter, or other power supply unit packaged and sold with the  
5 pump device at the time of sale to power the pump device.

6 "Breast pump collection and storage supplies" means items  
7 of tangible personal property designed or marketed to be used  
8 in conjunction with a breast pump to collect milk expressed  
9 from a human breast and to store collected milk until it is  
10 ready for consumption. "Breast pump collection and storage  
11 supplies" includes, but is not limited to: breast shields and  
12 breast shield connectors; breast pump tubes and tubing  
13 adapters; breast pump valves and membranes; backflow  
14 protectors and backflow protector adaptors; bottles and bottle  
15 caps specific to the operation of the breast pump; breast milk  
16 storage bags; and other items that may be useful to initiate,  
17 support, or sustain breast-feeding using a breast pump during  
18 lactation that may be sold separately but are generally sold as  
19 part of a breast pump kit.

20 "Breast pump collection and storage supplies" does not  
21 include: (1) bottles and bottle caps not specific to the  
22 operation of the breast pump, (2) breast pump travel bags and  
23 other similar carrying accessories, including ice packs,  
24 labels, and other similar products; (3) breast pump cleaning  
25 supplies; (4) nursing bras, bra pads, breast shells, and other  
26 similar products; and (5) creams, ointments, and other similar

1 products that relieve breastfeeding-related symptoms or  
2 conditions of the breasts or nipples, unless sold as part of a  
3 breast pump kit pre-packaged by the breast pump manufacturer or  
4 distributor.

5 "Breast pump kit" means a kit that contains a breast pump  
6 and breast pump collection and storage supplies or other  
7 taxable items of tangible personal property that may be useful  
8 to initiate, support, or sustain breastfeeding using a breast  
9 pump during lactation, so long as the other taxable items of  
10 tangible personal property sold with the breast pump kit at the  
11 time of sale are less than 10% of the total sales price of the  
12 breast pump kit.

13 (Source: P.A. 100-22, eff. 7-6-17; 100-437, eff. 1-1-18;  
14 100-594, eff. 6-29-18; 100-863, eff. 8-14-18; 100-1171, eff.  
15 1-4-19; 101-9, eff. 6-5-19; 101-31, eff. 6-28-19; 101-81, eff.  
16 7-12-19; revised 9-23-19.)

17 Section 10. The Service Use Tax Act is amended by changing  
18 Section 3-5 as follows:

19 (35 ILCS 110/3-5)

20 Sec. 3-5. Exemptions. Use of the following tangible  
21 personal property is exempt from the tax imposed by this Act:

22 (1) Personal property purchased from a corporation,  
23 society, association, foundation, institution, or  
24 organization, other than a limited liability company, that is

1 organized and operated as a not-for-profit service enterprise  
2 for the benefit of persons 65 years of age or older if the  
3 personal property was not purchased by the enterprise for the  
4 purpose of resale by the enterprise.

5 (2) Personal property purchased by a non-profit Illinois  
6 county fair association for use in conducting, operating, or  
7 promoting the county fair.

8 (3) Personal property purchased by a not-for-profit arts or  
9 cultural organization that establishes, by proof required by  
10 the Department by rule, that it has received an exemption under  
11 Section 501(c)(3) of the Internal Revenue Code and that is  
12 organized and operated primarily for the presentation or  
13 support of arts or cultural programming, activities, or  
14 services. These organizations include, but are not limited to,  
15 music and dramatic arts organizations such as symphony  
16 orchestras and theatrical groups, arts and cultural service  
17 organizations, local arts councils, visual arts organizations,  
18 and media arts organizations. On and after July 1, 2001 (the  
19 effective date of Public Act 92-35), however, an entity  
20 otherwise eligible for this exemption shall not make tax-free  
21 purchases unless it has an active identification number issued  
22 by the Department.

23 (4) Legal tender, currency, medallions, or gold or silver  
24 coinage issued by the State of Illinois, the government of the  
25 United States of America, or the government of any foreign  
26 country, and bullion.



1           (5) Until July 1, 2003 and beginning again on September 1,  
2           2004 through August 30, 2014, graphic arts machinery and  
3           equipment, including repair and replacement parts, both new and  
4           used, and including that manufactured on special order or  
5           purchased for lease, certified by the purchaser to be used  
6           primarily for graphic arts production. Equipment includes  
7           chemicals or chemicals acting as catalysts but only if the  
8           chemicals or chemicals acting as catalysts effect a direct and  
9           immediate change upon a graphic arts product. Beginning on July  
10          1, 2017, graphic arts machinery and equipment is included in  
11          the manufacturing and assembling machinery and equipment  
12          exemption under Section 2 of this Act.

13          (6) Personal property purchased from a teacher-sponsored  
14          student organization affiliated with an elementary or  
15          secondary school located in Illinois.

16          (7) Farm machinery and equipment, both new and used,  
17          including that manufactured on special order, certified by the  
18          purchaser to be used primarily for production agriculture or  
19          State or federal agricultural programs, including individual  
20          replacement parts for the machinery and equipment, including  
21          machinery and equipment purchased for lease, and including  
22          implements of husbandry defined in Section 1-130 of the  
23          Illinois Vehicle Code, farm machinery and agricultural  
24          chemical and fertilizer spreaders, and nurse wagons required to  
25          be registered under Section 3-809 of the Illinois Vehicle Code,  
26          but excluding other motor vehicles required to be registered

1 under the Illinois Vehicle Code. Horticultural polyhouses or  
2 hoop houses used for propagating, growing, or overwintering  
3 plants shall be considered farm machinery and equipment under  
4 this item (7). Agricultural chemical tender tanks and dry boxes  
5 shall include units sold separately from a motor vehicle  
6 required to be licensed and units sold mounted on a motor  
7 vehicle required to be licensed if the selling price of the  
8 tender is separately stated.

9 Farm machinery and equipment shall include precision  
10 farming equipment that is installed or purchased to be  
11 installed on farm machinery and equipment including, but not  
12 limited to, tractors, harvesters, sprayers, planters, seeders,  
13 or spreaders. Precision farming equipment includes, but is not  
14 limited to, soil testing sensors, computers, monitors,  
15 software, global positioning and mapping systems, and other  
16 such equipment.

17 Farm machinery and equipment also includes computers,  
18 sensors, software, and related equipment used primarily in the  
19 computer-assisted operation of production agriculture  
20 facilities, equipment, and activities such as, but not limited  
21 to, the collection, monitoring, and correlation of animal and  
22 crop data for the purpose of formulating animal diets and  
23 agricultural chemicals. This item (7) is exempt from the  
24 provisions of Section 3-75.

25 (8) Until June 30, 2013, fuel and petroleum products sold  
26 to or used by an air common carrier, certified by the carrier

1 to be used for consumption, shipment, or storage in the conduct  
2 of its business as an air common carrier, for a flight destined  
3 for or returning from a location or locations outside the  
4 United States without regard to previous or subsequent domestic  
5 stopovers.

6 Beginning July 1, 2013, fuel and petroleum products sold to  
7 or used by an air carrier, certified by the carrier to be used  
8 for consumption, shipment, or storage in the conduct of its  
9 business as an air common carrier, for a flight that (i) is  
10 engaged in foreign trade or is engaged in trade between the  
11 United States and any of its possessions and (ii) transports at  
12 least one individual or package for hire from the city of  
13 origination to the city of final destination on the same  
14 aircraft, without regard to a change in the flight number of  
15 that aircraft.

16 (9) Proceeds of mandatory service charges separately  
17 stated on customers' bills for the purchase and consumption of  
18 food and beverages acquired as an incident to the purchase of a  
19 service from a serviceman, to the extent that the proceeds of  
20 the service charge are in fact turned over as tips or as a  
21 substitute for tips to the employees who participate directly  
22 in preparing, serving, hosting or cleaning up the food or  
23 beverage function with respect to which the service charge is  
24 imposed.

25 (10) Until July 1, 2003, oil field exploration, drilling,  
26 and production equipment, including (i) rigs and parts of rigs,

1 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
2 tubular goods, including casing and drill strings, (iii) pumps  
3 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
4 individual replacement part for oil field exploration,  
5 drilling, and production equipment, and (vi) machinery and  
6 equipment purchased for lease; but excluding motor vehicles  
7 required to be registered under the Illinois Vehicle Code.

8 (11) Proceeds from the sale of photoprocessing machinery  
9 and equipment, including repair and replacement parts, both new  
10 and used, including that manufactured on special order,  
11 certified by the purchaser to be used primarily for  
12 photoprocessing, and including photoprocessing machinery and  
13 equipment purchased for lease.

14 (12) Until July 1, 2023, coal and aggregate exploration,  
15 mining, off-highway hauling, processing, maintenance, and  
16 reclamation equipment, including replacement parts and  
17 equipment, and including equipment purchased for lease, but  
18 excluding motor vehicles required to be registered under the  
19 Illinois Vehicle Code. The changes made to this Section by  
20 Public Act 97-767 apply on and after July 1, 2003, but no claim  
21 for credit or refund is allowed on or after August 16, 2013  
22 (the effective date of Public Act 98-456) for such taxes paid  
23 during the period beginning July 1, 2003 and ending on August  
24 16, 2013 (the effective date of Public Act 98-456).

25 (13) Semen used for artificial insemination of livestock  
26 for direct agricultural production.

1           (14) Horses, or interests in horses, registered with and  
2 meeting the requirements of any of the Arabian Horse Club  
3 Registry of America, Appaloosa Horse Club, American Quarter  
4 Horse Association, United States Trotting Association, or  
5 Jockey Club, as appropriate, used for purposes of breeding or  
6 racing for prizes. This item (14) is exempt from the provisions  
7 of Section 3-75, and the exemption provided for under this item  
8 (14) applies for all periods beginning May 30, 1995, but no  
9 claim for credit or refund is allowed on or after January 1,  
10 2008 (the effective date of Public Act 95-88) for such taxes  
11 paid during the period beginning May 30, 2000 and ending on  
12 January 1, 2008 (the effective date of Public Act 95-88).

13           (15) Computers and communications equipment utilized for  
14 any hospital purpose and equipment used in the diagnosis,  
15 analysis, or treatment of hospital patients purchased by a  
16 lessor who leases the equipment, under a lease of one year or  
17 longer executed or in effect at the time the lessor would  
18 otherwise be subject to the tax imposed by this Act, to a  
19 hospital that has been issued an active tax exemption  
20 identification number by the Department under Section 1g of the  
21 Retailers' Occupation Tax Act. If the equipment is leased in a  
22 manner that does not qualify for this exemption or is used in  
23 any other non-exempt manner, the lessor shall be liable for the  
24 tax imposed under this Act or the Use Tax Act, as the case may  
25 be, based on the fair market value of the property at the time  
26 the non-qualifying use occurs. No lessor shall collect or

1 attempt to collect an amount (however designated) that purports  
2 to reimburse that lessor for the tax imposed by this Act or the  
3 Use Tax Act, as the case may be, if the tax has not been paid by  
4 the lessor. If a lessor improperly collects any such amount  
5 from the lessee, the lessee shall have a legal right to claim a  
6 refund of that amount from the lessor. If, however, that amount  
7 is not refunded to the lessee for any reason, the lessor is  
8 liable to pay that amount to the Department.

9 (16) Personal property purchased by a lessor who leases the  
10 property, under a lease of one year or longer executed or in  
11 effect at the time the lessor would otherwise be subject to the  
12 tax imposed by this Act, to a governmental body that has been  
13 issued an active tax exemption identification number by the  
14 Department under Section 1g of the Retailers' Occupation Tax  
15 Act. If the property is leased in a manner that does not  
16 qualify for this exemption or is used in any other non-exempt  
17 manner, the lessor shall be liable for the tax imposed under  
18 this Act or the Use Tax Act, as the case may be, based on the  
19 fair market value of the property at the time the  
20 non-qualifying use occurs. No lessor shall collect or attempt  
21 to collect an amount (however designated) that purports to  
22 reimburse that lessor for the tax imposed by this Act or the  
23 Use Tax Act, as the case may be, if the tax has not been paid by  
24 the lessor. If a lessor improperly collects any such amount  
25 from the lessee, the lessee shall have a legal right to claim a  
26 refund of that amount from the lessor. If, however, that amount

1 is not refunded to the lessee for any reason, the lessor is  
2 liable to pay that amount to the Department.

3 (17) Beginning with taxable years ending on or after  
4 December 31, 1995 and ending with taxable years ending on or  
5 before December 31, 2004, personal property that is donated for  
6 disaster relief to be used in a State or federally declared  
7 disaster area in Illinois or bordering Illinois by a  
8 manufacturer or retailer that is registered in this State to a  
9 corporation, society, association, foundation, or institution  
10 that has been issued a sales tax exemption identification  
11 number by the Department that assists victims of the disaster  
12 who reside within the declared disaster area.

13 (18) Beginning with taxable years ending on or after  
14 December 31, 1995 and ending with taxable years ending on or  
15 before December 31, 2004, personal property that is used in the  
16 performance of infrastructure repairs in this State, including  
17 but not limited to municipal roads and streets, access roads,  
18 bridges, sidewalks, waste disposal systems, water and sewer  
19 line extensions, water distribution and purification  
20 facilities, storm water drainage and retention facilities, and  
21 sewage treatment facilities, resulting from a State or  
22 federally declared disaster in Illinois or bordering Illinois  
23 when such repairs are initiated on facilities located in the  
24 declared disaster area within 6 months after the disaster.

25 (19) Beginning July 1, 1999, game or game birds purchased  
26 at a "game breeding and hunting preserve area" as that term is

1 used in the Wildlife Code. This paragraph is exempt from the  
2 provisions of Section 3-75.

3 (20) A motor vehicle, as that term is defined in Section  
4 1-146 of the Illinois Vehicle Code, that is donated to a  
5 corporation, limited liability company, society, association,  
6 foundation, or institution that is determined by the Department  
7 to be organized and operated exclusively for educational  
8 purposes. For purposes of this exemption, "a corporation,  
9 limited liability company, society, association, foundation,  
10 or institution organized and operated exclusively for  
11 educational purposes" means all tax-supported public schools,  
12 private schools that offer systematic instruction in useful  
13 branches of learning by methods common to public schools and  
14 that compare favorably in their scope and intensity with the  
15 course of study presented in tax-supported schools, and  
16 vocational or technical schools or institutes organized and  
17 operated exclusively to provide a course of study of not less  
18 than 6 weeks duration and designed to prepare individuals to  
19 follow a trade or to pursue a manual, technical, mechanical,  
20 industrial, business, or commercial occupation.

21 (21) Beginning January 1, 2000, personal property,  
22 including food, purchased through fundraising events for the  
23 benefit of a public or private elementary or secondary school,  
24 a group of those schools, or one or more school districts if  
25 the events are sponsored by an entity recognized by the school  
26 district that consists primarily of volunteers and includes



1 parents and teachers of the school children. This paragraph  
2 does not apply to fundraising events (i) for the benefit of  
3 private home instruction or (ii) for which the fundraising  
4 entity purchases the personal property sold at the events from  
5 another individual or entity that sold the property for the  
6 purpose of resale by the fundraising entity and that profits  
7 from the sale to the fundraising entity. This paragraph is  
8 exempt from the provisions of Section 3-75.

9 (22) Beginning January 1, 2000 and through December 31,  
10 2001, new or used automatic vending machines that prepare and  
11 serve hot food and beverages, including coffee, soup, and other  
12 items, and replacement parts for these machines. Beginning  
13 January 1, 2002 and through June 30, 2003, machines and parts  
14 for machines used in commercial, coin-operated amusement and  
15 vending business if a use or occupation tax is paid on the  
16 gross receipts derived from the use of the commercial,  
17 coin-operated amusement and vending machines. This paragraph  
18 is exempt from the provisions of Section 3-75.

19 (23) Beginning August 23, 2001 and through June 30, 2016,  
20 food for human consumption that is to be consumed off the  
21 premises where it is sold (other than alcoholic beverages, soft  
22 drinks, and food that has been prepared for immediate  
23 consumption) and prescription and nonprescription medicines,  
24 drugs, medical appliances, and insulin, urine testing  
25 materials, syringes, and needles used by diabetics, for human  
26 use, when purchased for use by a person receiving medical

1 assistance under Article V of the Illinois Public Aid Code who  
2 resides in a licensed long-term care facility, as defined in  
3 the Nursing Home Care Act, or in a licensed facility as defined  
4 in the ID/DD Community Care Act, the MC/DD Act, or the  
5 Specialized Mental Health Rehabilitation Act of 2013.

6 (24) Beginning on August 2, 2001 (the effective date of  
7 Public Act 92-227), computers and communications equipment  
8 utilized for any hospital purpose and equipment used in the  
9 diagnosis, analysis, or treatment of hospital patients  
10 purchased by a lessor who leases the equipment, under a lease  
11 of one year or longer executed or in effect at the time the  
12 lessor would otherwise be subject to the tax imposed by this  
13 Act, to a hospital that has been issued an active tax exemption  
14 identification number by the Department under Section 1g of the  
15 Retailers' Occupation Tax Act. If the equipment is leased in a  
16 manner that does not qualify for this exemption or is used in  
17 any other nonexempt manner, the lessor shall be liable for the  
18 tax imposed under this Act or the Use Tax Act, as the case may  
19 be, based on the fair market value of the property at the time  
20 the nonqualifying use occurs. No lessor shall collect or  
21 attempt to collect an amount (however designated) that purports  
22 to reimburse that lessor for the tax imposed by this Act or the  
23 Use Tax Act, as the case may be, if the tax has not been paid by  
24 the lessor. If a lessor improperly collects any such amount  
25 from the lessee, the lessee shall have a legal right to claim a  
26 refund of that amount from the lessor. If, however, that amount

1 is not refunded to the lessee for any reason, the lessor is  
2 liable to pay that amount to the Department. This paragraph is  
3 exempt from the provisions of Section 3-75.

4 (25) Beginning on August 2, 2001 (the effective date of  
5 Public Act 92-227), personal property purchased by a lessor who  
6 leases the property, under a lease of one year or longer  
7 executed or in effect at the time the lessor would otherwise be  
8 subject to the tax imposed by this Act, to a governmental body  
9 that has been issued an active tax exemption identification  
10 number by the Department under Section 1g of the Retailers'  
11 Occupation Tax Act. If the property is leased in a manner that  
12 does not qualify for this exemption or is used in any other  
13 nonexempt manner, the lessor shall be liable for the tax  
14 imposed under this Act or the Use Tax Act, as the case may be,  
15 based on the fair market value of the property at the time the  
16 nonqualifying use occurs. No lessor shall collect or attempt to  
17 collect an amount (however designated) that purports to  
18 reimburse that lessor for the tax imposed by this Act or the  
19 Use Tax Act, as the case may be, if the tax has not been paid by  
20 the lessor. If a lessor improperly collects any such amount  
21 from the lessee, the lessee shall have a legal right to claim a  
22 refund of that amount from the lessor. If, however, that amount  
23 is not refunded to the lessee for any reason, the lessor is  
24 liable to pay that amount to the Department. This paragraph is  
25 exempt from the provisions of Section 3-75.

26 (26) Beginning January 1, 2008, tangible personal property

1 used in the construction or maintenance of a community water  
2 supply, as defined under Section 3.145 of the Environmental  
3 Protection Act, that is operated by a not-for-profit  
4 corporation that holds a valid water supply permit issued under  
5 Title IV of the Environmental Protection Act. This paragraph is  
6 exempt from the provisions of Section 3-75.

7 (27) Beginning January 1, 2010, materials, parts,  
8 equipment, components, and furnishings incorporated into or  
9 upon an aircraft as part of the modification, refurbishment,  
10 completion, replacement, repair, or maintenance of the  
11 aircraft. This exemption includes consumable supplies used in  
12 the modification, refurbishment, completion, replacement,  
13 repair, and maintenance of aircraft, but excludes any  
14 materials, parts, equipment, components, and consumable  
15 supplies used in the modification, replacement, repair, and  
16 maintenance of aircraft engines or power plants, whether such  
17 engines or power plants are installed or uninstalled upon any  
18 such aircraft. "Consumable supplies" include, but are not  
19 limited to, adhesive, tape, sandpaper, general purpose  
20 lubricants, cleaning solution, latex gloves, and protective  
21 films. This exemption applies only to the use of qualifying  
22 tangible personal property transferred incident to the  
23 modification, refurbishment, completion, replacement, repair,  
24 or maintenance of aircraft by persons who (i) hold an Air  
25 Agency Certificate and are empowered to operate an approved  
26 repair station by the Federal Aviation Administration, (ii)

1 have a Class IV Rating, and (iii) conduct operations in  
2 accordance with Part 145 of the Federal Aviation Regulations.  
3 The exemption does not include aircraft operated by a  
4 commercial air carrier providing scheduled passenger air  
5 service pursuant to authority issued under Part 121 or Part 129  
6 of the Federal Aviation Regulations. The changes made to this  
7 paragraph (27) by Public Act 98-534 are declarative of existing  
8 law.

9 (28) Tangible personal property purchased by a  
10 public-facilities corporation, as described in Section  
11 11-65-10 of the Illinois Municipal Code, for purposes of  
12 constructing or furnishing a municipal convention hall, but  
13 only if the legal title to the municipal convention hall is  
14 transferred to the municipality without any further  
15 consideration by or on behalf of the municipality at the time  
16 of the completion of the municipal convention hall or upon the  
17 retirement or redemption of any bonds or other debt instruments  
18 issued by the public-facilities corporation in connection with  
19 the development of the municipal convention hall. This  
20 exemption includes existing public-facilities corporations as  
21 provided in Section 11-65-25 of the Illinois Municipal Code.  
22 This paragraph is exempt from the provisions of Section 3-75.

23 (29) Beginning January 1, 2017, menstrual pads, tampons,  
24 and menstrual cups.

25 (30) Tangible personal property transferred to a purchaser  
26 who is exempt from the tax imposed by this Act by operation of

1 federal law. This paragraph is exempt from the provisions of  
2 Section 3-75.

3 (31) Qualified tangible personal property used in the  
4 construction or operation of a data center that has been  
5 granted a certificate of exemption by the Department of  
6 Commerce and Economic Opportunity, whether that tangible  
7 personal property is purchased by the owner, operator, or  
8 tenant of the data center or by a contractor or subcontractor  
9 of the owner, operator, or tenant. Data centers that would have  
10 qualified for a certificate of exemption prior to January 1,  
11 2020 had this amendatory Act of the 101st General Assembly been  
12 in effect, may apply for and obtain an exemption for subsequent  
13 purchases of computer equipment or enabling software purchased  
14 or leased to upgrade, supplement, or replace computer equipment  
15 or enabling software purchased or leased in the original  
16 investment that would have qualified.

17 The Department of Commerce and Economic Opportunity shall  
18 grant a certificate of exemption under this item (31) to  
19 qualified data centers as defined by Section 605-1025 of the  
20 Department of Commerce and Economic Opportunity Law of the  
21 Civil Administrative Code of Illinois.

22 For the purposes of this item (31):

23 "Data center" means a building or a series of buildings  
24 rehabilitated or constructed to house working servers in  
25 one physical location or multiple sites within the State of  
26 Illinois.

1           "Qualified tangible personal property" means:  
2           electrical systems and equipment; climate control and  
3           chilling equipment and systems; mechanical systems and  
4           equipment; monitoring and secure systems; emergency  
5           generators; hardware; computers; servers; data storage  
6           devices; network connectivity equipment; racks; cabinets;  
7           telecommunications cabling infrastructure; raised floor  
8           systems; peripheral components or systems; software;  
9           mechanical, electrical, or plumbing systems; battery  
10          systems; cooling systems and towers; temperature control  
11          systems; other cabling; and other data center  
12          infrastructure equipment and systems necessary to operate  
13          qualified tangible personal property, including fixtures;  
14          and component parts of any of the foregoing, including  
15          installation, maintenance, repair, refurbishment, and  
16          replacement of qualified tangible personal property to  
17          generate, transform, transmit, distribute, or manage  
18          electricity necessary to operate qualified tangible  
19          personal property; and all other tangible personal  
20          property that is essential to the operations of a computer  
21          data center. The term "qualified tangible personal  
22          property" also includes building materials physically  
23          incorporated in to the qualifying data center. To document  
24          the exemption allowed under this Section, the retailer must  
25          obtain from the purchaser a copy of the certificate of  
26          eligibility issued by the Department of Commerce and

1 Economic Opportunity.

2 This item (31) is exempt from the provisions of Section  
3 3-75.

4 (32) Beginning July 1, 2020, breast pumps, breast pump  
5 collection and storage supplies, and breast pump kits. This  
6 item (32) is exempt from the provisions of Section 3-75.

7 As used in this item (32), "breast pump" means an  
8 electrically or manually-controlled pump device designed or  
9 marketed to be used to express milk from a human breast during  
10 lactation, including the pump device and any battery, AC  
11 adapter, or other power supply unit packaged and sold with the  
12 pump device at the time of sale to power the pump device.

13 "Breast pump collection and storage supplies" means items  
14 of tangible personal property designed or marketed to be used  
15 in conjunction with a breast pump to collect milk expressed  
16 from a human breast and to store collected milk until it is  
17 ready for consumption. "Breast pump collection and storage  
18 supplies" includes, but is not limited to: breast shields and  
19 breast shield connectors; breast pump tubes and tubing  
20 adapters; breast pump valves and membranes; backflow  
21 protectors and backflow protector adaptors; bottles and bottle  
22 caps specific to the operation of the breast pump; breast milk  
23 storage bags; and other items that may be useful to initiate,  
24 support, or sustain breast-feeding using a breast pump during  
25 lactation that may be sold separately but are generally sold as  
26 part of a breast pump kit.



1       "Breast pump collection and storage supplies" does not  
2 include: (1) bottles and bottle caps not specific to the  
3 operation of the breast pump, (2) breast pump travel bags and  
4 other similar carrying accessories, including ice packs,  
5 labels, and other similar products; (3) breast pump cleaning  
6 supplies; (4) nursing bras, bra pads, breast shells, and other  
7 similar products; and (5) creams, ointments, and other similar  
8 products that relieve breastfeeding-related symptoms or  
9 conditions of the breasts or nipples, unless sold as part of a  
10 breast pump kit pre-packaged by the breast pump manufacturer or  
11 distributor.

12       "Breast pump kit" means a kit that contains a breast pump  
13 and breast pump collection and storage supplies or other  
14 taxable items of tangible personal property that may be useful  
15 to initiate, support, or sustain breastfeeding using a breast  
16 pump during lactation, so long as the other taxable items of  
17 tangible personal property sold with the breast pump kit at the  
18 time of sale are less than 10% of the total sales price of the  
19 breast pump kit.

20       (Source: P.A. 100-22, eff. 7-6-17; 100-594, eff. 6-29-18;  
21 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81, eff.  
22 7-12-19.)

23       Section 15. The Service Occupation Tax Act is amended by  
24 changing Section 3-5 as follows:

1 (35 ILCS 115/3-5)

2 Sec. 3-5. Exemptions. The following tangible personal  
3 property is exempt from the tax imposed by this Act:

4 (1) Personal property sold by a corporation, society,  
5 association, foundation, institution, or organization, other  
6 than a limited liability company, that is organized and  
7 operated as a not-for-profit service enterprise for the benefit  
8 of persons 65 years of age or older if the personal property  
9 was not purchased by the enterprise for the purpose of resale  
10 by the enterprise.

11 (2) Personal property purchased by a not-for-profit  
12 Illinois county fair association for use in conducting,  
13 operating, or promoting the county fair.

14 (3) Personal property purchased by any not-for-profit arts  
15 or cultural organization that establishes, by proof required by  
16 the Department by rule, that it has received an exemption under  
17 Section 501(c)(3) of the Internal Revenue Code and that is  
18 organized and operated primarily for the presentation or  
19 support of arts or cultural programming, activities, or  
20 services. These organizations include, but are not limited to,  
21 music and dramatic arts organizations such as symphony  
22 orchestras and theatrical groups, arts and cultural service  
23 organizations, local arts councils, visual arts organizations,  
24 and media arts organizations. On and after July 1, 2001 (the  
25 effective date of Public Act 92-35), however, an entity  
26 otherwise eligible for this exemption shall not make tax-free

1 purchases unless it has an active identification number issued  
2 by the Department.

3 (4) Legal tender, currency, medallions, or gold or silver  
4 coinage issued by the State of Illinois, the government of the  
5 United States of America, or the government of any foreign  
6 country, and bullion.

7 (5) Until July 1, 2003 and beginning again on September 1,  
8 2004 through August 30, 2014, graphic arts machinery and  
9 equipment, including repair and replacement parts, both new and  
10 used, and including that manufactured on special order or  
11 purchased for lease, certified by the purchaser to be used  
12 primarily for graphic arts production. Equipment includes  
13 chemicals or chemicals acting as catalysts but only if the  
14 chemicals or chemicals acting as catalysts effect a direct and  
15 immediate change upon a graphic arts product. Beginning on July  
16 1, 2017, graphic arts machinery and equipment is included in  
17 the manufacturing and assembling machinery and equipment  
18 exemption under Section 2 of this Act.

19 (6) Personal property sold by a teacher-sponsored student  
20 organization affiliated with an elementary or secondary school  
21 located in Illinois.

22 (7) Farm machinery and equipment, both new and used,  
23 including that manufactured on special order, certified by the  
24 purchaser to be used primarily for production agriculture or  
25 State or federal agricultural programs, including individual  
26 replacement parts for the machinery and equipment, including

1 machinery and equipment purchased for lease, and including  
2 implements of husbandry defined in Section 1-130 of the  
3 Illinois Vehicle Code, farm machinery and agricultural  
4 chemical and fertilizer spreaders, and nurse wagons required to  
5 be registered under Section 3-809 of the Illinois Vehicle Code,  
6 but excluding other motor vehicles required to be registered  
7 under the Illinois Vehicle Code. Horticultural polyhouses or  
8 hoop houses used for propagating, growing, or overwintering  
9 plants shall be considered farm machinery and equipment under  
10 this item (7). Agricultural chemical tender tanks and dry boxes  
11 shall include units sold separately from a motor vehicle  
12 required to be licensed and units sold mounted on a motor  
13 vehicle required to be licensed if the selling price of the  
14 tender is separately stated.

15 Farm machinery and equipment shall include precision  
16 farming equipment that is installed or purchased to be  
17 installed on farm machinery and equipment including, but not  
18 limited to, tractors, harvesters, sprayers, planters, seeders,  
19 or spreaders. Precision farming equipment includes, but is not  
20 limited to, soil testing sensors, computers, monitors,  
21 software, global positioning and mapping systems, and other  
22 such equipment.

23 Farm machinery and equipment also includes computers,  
24 sensors, software, and related equipment used primarily in the  
25 computer-assisted operation of production agriculture  
26 facilities, equipment, and activities such as, but not limited

1 to, the collection, monitoring, and correlation of animal and  
2 crop data for the purpose of formulating animal diets and  
3 agricultural chemicals. This item (7) is exempt from the  
4 provisions of Section 3-55.

5 (8) Until June 30, 2013, fuel and petroleum products sold  
6 to or used by an air common carrier, certified by the carrier  
7 to be used for consumption, shipment, or storage in the conduct  
8 of its business as an air common carrier, for a flight destined  
9 for or returning from a location or locations outside the  
10 United States without regard to previous or subsequent domestic  
11 stopovers.

12 Beginning July 1, 2013, fuel and petroleum products sold to  
13 or used by an air carrier, certified by the carrier to be used  
14 for consumption, shipment, or storage in the conduct of its  
15 business as an air common carrier, for a flight that (i) is  
16 engaged in foreign trade or is engaged in trade between the  
17 United States and any of its possessions and (ii) transports at  
18 least one individual or package for hire from the city of  
19 origination to the city of final destination on the same  
20 aircraft, without regard to a change in the flight number of  
21 that aircraft.

22 (9) Proceeds of mandatory service charges separately  
23 stated on customers' bills for the purchase and consumption of  
24 food and beverages, to the extent that the proceeds of the  
25 service charge are in fact turned over as tips or as a  
26 substitute for tips to the employees who participate directly

1 in preparing, serving, hosting or cleaning up the food or  
2 beverage function with respect to which the service charge is  
3 imposed.

4 (10) Until July 1, 2003, oil field exploration, drilling,  
5 and production equipment, including (i) rigs and parts of rigs,  
6 rotary rigs, cable tool rigs, and workover rigs, (ii) pipe and  
7 tubular goods, including casing and drill strings, (iii) pumps  
8 and pump-jack units, (iv) storage tanks and flow lines, (v) any  
9 individual replacement part for oil field exploration,  
10 drilling, and production equipment, and (vi) machinery and  
11 equipment purchased for lease; but excluding motor vehicles  
12 required to be registered under the Illinois Vehicle Code.

13 (11) Photoprocessing machinery and equipment, including  
14 repair and replacement parts, both new and used, including that  
15 manufactured on special order, certified by the purchaser to be  
16 used primarily for photoprocessing, and including  
17 photoprocessing machinery and equipment purchased for lease.

18 (12) Until July 1, 2023, coal and aggregate exploration,  
19 mining, off-highway hauling, processing, maintenance, and  
20 reclamation equipment, including replacement parts and  
21 equipment, and including equipment purchased for lease, but  
22 excluding motor vehicles required to be registered under the  
23 Illinois Vehicle Code. The changes made to this Section by  
24 Public Act 97-767 apply on and after July 1, 2003, but no claim  
25 for credit or refund is allowed on or after August 16, 2013  
26 (the effective date of Public Act 98-456) for such taxes paid

1 during the period beginning July 1, 2003 and ending on August  
2 16, 2013 (the effective date of Public Act 98-456).

3 (13) Beginning January 1, 1992 and through June 30, 2016,  
4 food for human consumption that is to be consumed off the  
5 premises where it is sold (other than alcoholic beverages, soft  
6 drinks and food that has been prepared for immediate  
7 consumption) and prescription and non-prescription medicines,  
8 drugs, medical appliances, and insulin, urine testing  
9 materials, syringes, and needles used by diabetics, for human  
10 use, when purchased for use by a person receiving medical  
11 assistance under Article V of the Illinois Public Aid Code who  
12 resides in a licensed long-term care facility, as defined in  
13 the Nursing Home Care Act, or in a licensed facility as defined  
14 in the ID/DD Community Care Act, the MC/DD Act, or the  
15 Specialized Mental Health Rehabilitation Act of 2013.

16 (14) Semen used for artificial insemination of livestock  
17 for direct agricultural production.

18 (15) Horses, or interests in horses, registered with and  
19 meeting the requirements of any of the Arabian Horse Club  
20 Registry of America, Appaloosa Horse Club, American Quarter  
21 Horse Association, United States Trotting Association, or  
22 Jockey Club, as appropriate, used for purposes of breeding or  
23 racing for prizes. This item (15) is exempt from the provisions  
24 of Section 3-55, and the exemption provided for under this item  
25 (15) applies for all periods beginning May 30, 1995, but no  
26 claim for credit or refund is allowed on or after January 1,

1 2008 (the effective date of Public Act 95-88) for such taxes  
2 paid during the period beginning May 30, 2000 and ending on  
3 January 1, 2008 (the effective date of Public Act 95-88).

4 (16) Computers and communications equipment utilized for  
5 any hospital purpose and equipment used in the diagnosis,  
6 analysis, or treatment of hospital patients sold to a lessor  
7 who leases the equipment, under a lease of one year or longer  
8 executed or in effect at the time of the purchase, to a  
9 hospital that has been issued an active tax exemption  
10 identification number by the Department under Section 1g of the  
11 Retailers' Occupation Tax Act.

12 (17) Personal property sold to a lessor who leases the  
13 property, under a lease of one year or longer executed or in  
14 effect at the time of the purchase, to a governmental body that  
15 has been issued an active tax exemption identification number  
16 by the Department under Section 1g of the Retailers' Occupation  
17 Tax Act.

18 (18) Beginning with taxable years ending on or after  
19 December 31, 1995 and ending with taxable years ending on or  
20 before December 31, 2004, personal property that is donated for  
21 disaster relief to be used in a State or federally declared  
22 disaster area in Illinois or bordering Illinois by a  
23 manufacturer or retailer that is registered in this State to a  
24 corporation, society, association, foundation, or institution  
25 that has been issued a sales tax exemption identification  
26 number by the Department that assists victims of the disaster



1 who reside within the declared disaster area.

2 (19) Beginning with taxable years ending on or after  
3 December 31, 1995 and ending with taxable years ending on or  
4 before December 31, 2004, personal property that is used in the  
5 performance of infrastructure repairs in this State, including  
6 but not limited to municipal roads and streets, access roads,  
7 bridges, sidewalks, waste disposal systems, water and sewer  
8 line extensions, water distribution and purification  
9 facilities, storm water drainage and retention facilities, and  
10 sewage treatment facilities, resulting from a State or  
11 federally declared disaster in Illinois or bordering Illinois  
12 when such repairs are initiated on facilities located in the  
13 declared disaster area within 6 months after the disaster.

14 (20) Beginning July 1, 1999, game or game birds sold at a  
15 "game breeding and hunting preserve area" as that term is used  
16 in the Wildlife Code. This paragraph is exempt from the  
17 provisions of Section 3-55.

18 (21) A motor vehicle, as that term is defined in Section  
19 1-146 of the Illinois Vehicle Code, that is donated to a  
20 corporation, limited liability company, society, association,  
21 foundation, or institution that is determined by the Department  
22 to be organized and operated exclusively for educational  
23 purposes. For purposes of this exemption, "a corporation,  
24 limited liability company, society, association, foundation,  
25 or institution organized and operated exclusively for  
26 educational purposes" means all tax-supported public schools,

1 private schools that offer systematic instruction in useful  
2 branches of learning by methods common to public schools and  
3 that compare favorably in their scope and intensity with the  
4 course of study presented in tax-supported schools, and  
5 vocational or technical schools or institutes organized and  
6 operated exclusively to provide a course of study of not less  
7 than 6 weeks duration and designed to prepare individuals to  
8 follow a trade or to pursue a manual, technical, mechanical,  
9 industrial, business, or commercial occupation.

10 (22) Beginning January 1, 2000, personal property,  
11 including food, purchased through fundraising events for the  
12 benefit of a public or private elementary or secondary school,  
13 a group of those schools, or one or more school districts if  
14 the events are sponsored by an entity recognized by the school  
15 district that consists primarily of volunteers and includes  
16 parents and teachers of the school children. This paragraph  
17 does not apply to fundraising events (i) for the benefit of  
18 private home instruction or (ii) for which the fundraising  
19 entity purchases the personal property sold at the events from  
20 another individual or entity that sold the property for the  
21 purpose of resale by the fundraising entity and that profits  
22 from the sale to the fundraising entity. This paragraph is  
23 exempt from the provisions of Section 3-55.

24 (23) Beginning January 1, 2000 and through December 31,  
25 2001, new or used automatic vending machines that prepare and  
26 serve hot food and beverages, including coffee, soup, and other

1 items, and replacement parts for these machines. Beginning  
2 January 1, 2002 and through June 30, 2003, machines and parts  
3 for machines used in commercial, coin-operated amusement and  
4 vending business if a use or occupation tax is paid on the  
5 gross receipts derived from the use of the commercial,  
6 coin-operated amusement and vending machines. This paragraph  
7 is exempt from the provisions of Section 3-55.

8 (24) Beginning on August 2, 2001 (the effective date of  
9 Public Act 92-227), computers and communications equipment  
10 utilized for any hospital purpose and equipment used in the  
11 diagnosis, analysis, or treatment of hospital patients sold to  
12 a lessor who leases the equipment, under a lease of one year or  
13 longer executed or in effect at the time of the purchase, to a  
14 hospital that has been issued an active tax exemption  
15 identification number by the Department under Section 1g of the  
16 Retailers' Occupation Tax Act. This paragraph is exempt from  
17 the provisions of Section 3-55.

18 (25) Beginning on August 2, 2001 (the effective date of  
19 Public Act 92-227), personal property sold to a lessor who  
20 leases the property, under a lease of one year or longer  
21 executed or in effect at the time of the purchase, to a  
22 governmental body that has been issued an active tax exemption  
23 identification number by the Department under Section 1g of the  
24 Retailers' Occupation Tax Act. This paragraph is exempt from  
25 the provisions of Section 3-55.

26 (26) Beginning on January 1, 2002 and through June 30,

1 2016, tangible personal property purchased from an Illinois  
2 retailer by a taxpayer engaged in centralized purchasing  
3 activities in Illinois who will, upon receipt of the property  
4 in Illinois, temporarily store the property in Illinois (i) for  
5 the purpose of subsequently transporting it outside this State  
6 for use or consumption thereafter solely outside this State or  
7 (ii) for the purpose of being processed, fabricated, or  
8 manufactured into, attached to, or incorporated into other  
9 tangible personal property to be transported outside this State  
10 and thereafter used or consumed solely outside this State. The  
11 Director of Revenue shall, pursuant to rules adopted in  
12 accordance with the Illinois Administrative Procedure Act,  
13 issue a permit to any taxpayer in good standing with the  
14 Department who is eligible for the exemption under this  
15 paragraph (26). The permit issued under this paragraph (26)  
16 shall authorize the holder, to the extent and in the manner  
17 specified in the rules adopted under this Act, to purchase  
18 tangible personal property from a retailer exempt from the  
19 taxes imposed by this Act. Taxpayers shall maintain all  
20 necessary books and records to substantiate the use and  
21 consumption of all such tangible personal property outside of  
22 the State of Illinois.

23 (27) Beginning January 1, 2008, tangible personal property  
24 used in the construction or maintenance of a community water  
25 supply, as defined under Section 3.145 of the Environmental  
26 Protection Act, that is operated by a not-for-profit

1 corporation that holds a valid water supply permit issued under  
2 Title IV of the Environmental Protection Act. This paragraph is  
3 exempt from the provisions of Section 3-55.

4 (28) Tangible personal property sold to a  
5 public-facilities corporation, as described in Section  
6 11-65-10 of the Illinois Municipal Code, for purposes of  
7 constructing or furnishing a municipal convention hall, but  
8 only if the legal title to the municipal convention hall is  
9 transferred to the municipality without any further  
10 consideration by or on behalf of the municipality at the time  
11 of the completion of the municipal convention hall or upon the  
12 retirement or redemption of any bonds or other debt instruments  
13 issued by the public-facilities corporation in connection with  
14 the development of the municipal convention hall. This  
15 exemption includes existing public-facilities corporations as  
16 provided in Section 11-65-25 of the Illinois Municipal Code.  
17 This paragraph is exempt from the provisions of Section 3-55.

18 (29) Beginning January 1, 2010, materials, parts,  
19 equipment, components, and furnishings incorporated into or  
20 upon an aircraft as part of the modification, refurbishment,  
21 completion, replacement, repair, or maintenance of the  
22 aircraft. This exemption includes consumable supplies used in  
23 the modification, refurbishment, completion, replacement,  
24 repair, and maintenance of aircraft, but excludes any  
25 materials, parts, equipment, components, and consumable  
26 supplies used in the modification, replacement, repair, and

1 maintenance of aircraft engines or power plants, whether such  
2 engines or power plants are installed or uninstalled upon any  
3 such aircraft. "Consumable supplies" include, but are not  
4 limited to, adhesive, tape, sandpaper, general purpose  
5 lubricants, cleaning solution, latex gloves, and protective  
6 films. This exemption applies only to the transfer of  
7 qualifying tangible personal property incident to the  
8 modification, refurbishment, completion, replacement, repair,  
9 or maintenance of an aircraft by persons who (i) hold an Air  
10 Agency Certificate and are empowered to operate an approved  
11 repair station by the Federal Aviation Administration, (ii)  
12 have a Class IV Rating, and (iii) conduct operations in  
13 accordance with Part 145 of the Federal Aviation Regulations.  
14 The exemption does not include aircraft operated by a  
15 commercial air carrier providing scheduled passenger air  
16 service pursuant to authority issued under Part 121 or Part 129  
17 of the Federal Aviation Regulations. The changes made to this  
18 paragraph (29) by Public Act 98-534 are declarative of existing  
19 law.

20 (30) Beginning January 1, 2017, menstrual pads, tampons,  
21 and menstrual cups.

22 (31) Tangible personal property transferred to a purchaser  
23 who is exempt from tax by operation of federal law. This  
24 paragraph is exempt from the provisions of Section 3-55.

25 (32) Qualified tangible personal property used in the  
26 construction or operation of a data center that has been

1 granted a certificate of exemption by the Department of  
2 Commerce and Economic Opportunity, whether that tangible  
3 personal property is purchased by the owner, operator, or  
4 tenant of the data center or by a contractor or subcontractor  
5 of the owner, operator, or tenant. Data centers that would have  
6 qualified for a certificate of exemption prior to January 1,  
7 2020 had this amendatory Act of the 101st General Assembly been  
8 in effect, may apply for and obtain an exemption for subsequent  
9 purchases of computer equipment or enabling software purchased  
10 or leased to upgrade, supplement, or replace computer equipment  
11 or enabling software purchased or leased in the original  
12 investment that would have qualified.

13 The Department of Commerce and Economic Opportunity shall  
14 grant a certificate of exemption under this item (32) to  
15 qualified data centers as defined by Section 605-1025 of the  
16 Department of Commerce and Economic Opportunity Law of the  
17 Civil Administrative Code of Illinois.

18 For the purposes of this item (32):

19 "Data center" means a building or a series of buildings  
20 rehabilitated or constructed to house working servers in  
21 one physical location or multiple sites within the State of  
22 Illinois.

23 "Qualified tangible personal property" means:  
24 electrical systems and equipment; climate control and  
25 chilling equipment and systems; mechanical systems and  
26 equipment; monitoring and secure systems; emergency

1 generators; hardware; computers; servers; data storage  
2 devices; network connectivity equipment; racks; cabinets;  
3 telecommunications cabling infrastructure; raised floor  
4 systems; peripheral components or systems; software;  
5 mechanical, electrical, or plumbing systems; battery  
6 systems; cooling systems and towers; temperature control  
7 systems; other cabling; and other data center  
8 infrastructure equipment and systems necessary to operate  
9 qualified tangible personal property, including fixtures;  
10 and component parts of any of the foregoing, including  
11 installation, maintenance, repair, refurbishment, and  
12 replacement of qualified tangible personal property to  
13 generate, transform, transmit, distribute, or manage  
14 electricity necessary to operate qualified tangible  
15 personal property; and all other tangible personal  
16 property that is essential to the operations of a computer  
17 data center. The term "qualified tangible personal  
18 property" also includes building materials physically  
19 incorporated in to the qualifying data center. To document  
20 the exemption allowed under this Section, the retailer must  
21 obtain from the purchaser a copy of the certificate of  
22 eligibility issued by the Department of Commerce and  
23 Economic Opportunity.

24 This item (32) is exempt from the provisions of Section  
25 3-55.

26 (33) Beginning July 1, 2020, breast pumps, breast pump



1 collection and storage supplies, and breast pump kits. This  
2 item (33) is exempt from the provisions of Section 3-55.

3 As used in this item (33), "breast pump" means an  
4 electrically or manually-controlled pump device designed or  
5 marketed to be used to express milk from a human breast during  
6 lactation, including the pump device and any battery, AC  
7 adapter, or other power supply unit packaged and sold with the  
8 pump device at the time of sale to power the pump device.

9 "Breast pump collection and storage supplies" means items  
10 of tangible personal property designed or marketed to be used  
11 in conjunction with a breast pump to collect milk expressed  
12 from a human breast and to store collected milk until it is  
13 ready for consumption. "Breast pump collection and storage  
14 supplies" includes, but is not limited to: breast shields and  
15 breast shield connectors; breast pump tubes and tubing  
16 adapters; breast pump valves and membranes; backflow  
17 protectors and backflow protector adaptors; bottles and bottle  
18 caps specific to the operation of the breast pump; breast milk  
19 storage bags; and other items that may be useful to initiate,  
20 support, or sustain breast-feeding using a breast pump during  
21 lactation that may be sold separately but are generally sold as  
22 part of a breast pump kit.

23 "Breast pump collection and storage supplies" does not  
24 include: (1) bottles and bottle caps not specific to the  
25 operation of the breast pump, (2) breast pump travel bags and  
26 other similar carrying accessories, including ice packs,

1 labels, and other similar products; (3) breast pump cleaning  
2 supplies; (4) nursing bras, bra pads, breast shells, and other  
3 similar products; and (5) creams, ointments, and other similar  
4 products that relieve breastfeeding-related symptoms or  
5 conditions of the breasts or nipples, unless sold as part of a  
6 breast pump kit pre-packaged by the breast pump manufacturer or  
7 distributor.

8 "Breast pump kit" means a kit that contains a breast pump  
9 and breast pump collection and storage supplies or other  
10 taxable items of tangible personal property that may be useful  
11 to initiate, support, or sustain breastfeeding using a breast  
12 pump during lactation, so long as the other taxable items of  
13 tangible personal property sold with the breast pump kit at the  
14 time of sale are less than 10% of the total sales price of the  
15 breast pump kit.

16 (Source: P.A. 100-22, eff. 7-6-17; 100-594, eff. 6-29-18;  
17 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81, eff.  
18 7-12-19.)

19 Section 20. The Retailers' Occupation Tax Act is amended by  
20 changing Section 2-5 as follows:

21 (35 ILCS 120/2-5)

22 Sec. 2-5. Exemptions. Gross receipts from proceeds from the  
23 sale of the following tangible personal property are exempt  
24 from the tax imposed by this Act:

1           (1) Farm chemicals.

2           (2) Farm machinery and equipment, both new and used,  
3 including that manufactured on special order, certified by  
4 the purchaser to be used primarily for production  
5 agriculture or State or federal agricultural programs,  
6 including individual replacement parts for the machinery  
7 and equipment, including machinery and equipment purchased  
8 for lease, and including implements of husbandry defined in  
9 Section 1-130 of the Illinois Vehicle Code, farm machinery  
10 and agricultural chemical and fertilizer spreaders, and  
11 nurse wagons required to be registered under Section 3-809  
12 of the Illinois Vehicle Code, but excluding other motor  
13 vehicles required to be registered under the Illinois  
14 Vehicle Code. Horticultural polyhouses or hoop houses used  
15 for propagating, growing, or overwintering plants shall be  
16 considered farm machinery and equipment under this item  
17 (2). Agricultural chemical tender tanks and dry boxes shall  
18 include units sold separately from a motor vehicle required  
19 to be licensed and units sold mounted on a motor vehicle  
20 required to be licensed, if the selling price of the tender  
21 is separately stated.

22           Farm machinery and equipment shall include precision  
23 farming equipment that is installed or purchased to be  
24 installed on farm machinery and equipment including, but  
25 not limited to, tractors, harvesters, sprayers, planters,  
26 seeders, or spreaders. Precision farming equipment

1 includes, but is not limited to, soil testing sensors,  
2 computers, monitors, software, global positioning and  
3 mapping systems, and other such equipment.

4 Farm machinery and equipment also includes computers,  
5 sensors, software, and related equipment used primarily in  
6 the computer-assisted operation of production agriculture  
7 facilities, equipment, and activities such as, but not  
8 limited to, the collection, monitoring, and correlation of  
9 animal and crop data for the purpose of formulating animal  
10 diets and agricultural chemicals. This item (2) is exempt  
11 from the provisions of Section 2-70.

12 (3) Until July 1, 2003, distillation machinery and  
13 equipment, sold as a unit or kit, assembled or installed by  
14 the retailer, certified by the user to be used only for the  
15 production of ethyl alcohol that will be used for  
16 consumption as motor fuel or as a component of motor fuel  
17 for the personal use of the user, and not subject to sale  
18 or resale.

19 (4) Until July 1, 2003 and beginning again September 1,  
20 2004 through August 30, 2014, graphic arts machinery and  
21 equipment, including repair and replacement parts, both  
22 new and used, and including that manufactured on special  
23 order or purchased for lease, certified by the purchaser to  
24 be used primarily for graphic arts production. Equipment  
25 includes chemicals or chemicals acting as catalysts but  
26 only if the chemicals or chemicals acting as catalysts

1 effect a direct and immediate change upon a graphic arts  
2 product. Beginning on July 1, 2017, graphic arts machinery  
3 and equipment is included in the manufacturing and  
4 assembling machinery and equipment exemption under  
5 paragraph (14).

6 (5) A motor vehicle that is used for automobile  
7 renting, as defined in the Automobile Renting Occupation  
8 and Use Tax Act. This paragraph is exempt from the  
9 provisions of Section 2-70.

10 (6) Personal property sold by a teacher-sponsored  
11 student organization affiliated with an elementary or  
12 secondary school located in Illinois.

13 (7) Until July 1, 2003, proceeds of that portion of the  
14 selling price of a passenger car the sale of which is  
15 subject to the Replacement Vehicle Tax.

16 (8) Personal property sold to an Illinois county fair  
17 association for use in conducting, operating, or promoting  
18 the county fair.

19 (9) Personal property sold to a not-for-profit arts or  
20 cultural organization that establishes, by proof required  
21 by the Department by rule, that it has received an  
22 exemption under Section 501(c)(3) of the Internal Revenue  
23 Code and that is organized and operated primarily for the  
24 presentation or support of arts or cultural programming,  
25 activities, or services. These organizations include, but  
26 are not limited to, music and dramatic arts organizations

1 such as symphony orchestras and theatrical groups, arts and  
2 cultural service organizations, local arts councils,  
3 visual arts organizations, and media arts organizations.  
4 On and after July 1, 2001 (the effective date of Public Act  
5 92-35), however, an entity otherwise eligible for this  
6 exemption shall not make tax-free purchases unless it has  
7 an active identification number issued by the Department.

8 (10) Personal property sold by a corporation, society,  
9 association, foundation, institution, or organization,  
10 other than a limited liability company, that is organized  
11 and operated as a not-for-profit service enterprise for the  
12 benefit of persons 65 years of age or older if the personal  
13 property was not purchased by the enterprise for the  
14 purpose of resale by the enterprise.

15 (11) Personal property sold to a governmental body, to  
16 a corporation, society, association, foundation, or  
17 institution organized and operated exclusively for  
18 charitable, religious, or educational purposes, or to a  
19 not-for-profit corporation, society, association,  
20 foundation, institution, or organization that has no  
21 compensated officers or employees and that is organized and  
22 operated primarily for the recreation of persons 55 years  
23 of age or older. A limited liability company may qualify  
24 for the exemption under this paragraph only if the limited  
25 liability company is organized and operated exclusively  
26 for educational purposes. On and after July 1, 1987,

1           however, no entity otherwise eligible for this exemption  
2           shall make tax-free purchases unless it has an active  
3           identification number issued by the Department.

4           (12) (Blank).

5           (12-5) On and after July 1, 2003 and through June 30,  
6           2004, motor vehicles of the second division with a gross  
7           vehicle weight in excess of 8,000 pounds that are subject  
8           to the commercial distribution fee imposed under Section  
9           3-815.1 of the Illinois Vehicle Code. Beginning on July 1,  
10          2004 and through June 30, 2005, the use in this State of  
11          motor vehicles of the second division: (i) with a gross  
12          vehicle weight rating in excess of 8,000 pounds; (ii) that  
13          are subject to the commercial distribution fee imposed  
14          under Section 3-815.1 of the Illinois Vehicle Code; and  
15          (iii) that are primarily used for commercial purposes.  
16          Through June 30, 2005, this exemption applies to repair and  
17          replacement parts added after the initial purchase of such  
18          a motor vehicle if that motor vehicle is used in a manner  
19          that would qualify for the rolling stock exemption  
20          otherwise provided for in this Act. For purposes of this  
21          paragraph, "used for commercial purposes" means the  
22          transportation of persons or property in furtherance of any  
23          commercial or industrial enterprise whether for-hire or  
24          not.

25          (13) Proceeds from sales to owners, lessors, or  
26          shippers of tangible personal property that is utilized by

1 interstate carriers for hire for use as rolling stock  
2 moving in interstate commerce and equipment operated by a  
3 telecommunications provider, licensed as a common carrier  
4 by the Federal Communications Commission, which is  
5 permanently installed in or affixed to aircraft moving in  
6 interstate commerce.

7 (14) Machinery and equipment that will be used by the  
8 purchaser, or a lessee of the purchaser, primarily in the  
9 process of manufacturing or assembling tangible personal  
10 property for wholesale or retail sale or lease, whether the  
11 sale or lease is made directly by the manufacturer or by  
12 some other person, whether the materials used in the  
13 process are owned by the manufacturer or some other person,  
14 or whether the sale or lease is made apart from or as an  
15 incident to the seller's engaging in the service occupation  
16 of producing machines, tools, dies, jigs, patterns,  
17 gauges, or other similar items of no commercial value on  
18 special order for a particular purchaser. The exemption  
19 provided by this paragraph (14) does not include machinery  
20 and equipment used in (i) the generation of electricity for  
21 wholesale or retail sale; (ii) the generation or treatment  
22 of natural or artificial gas for wholesale or retail sale  
23 that is delivered to customers through pipes, pipelines, or  
24 mains; or (iii) the treatment of water for wholesale or  
25 retail sale that is delivered to customers through pipes,  
26 pipelines, or mains. The provisions of Public Act 98-583



1 are declaratory of existing law as to the meaning and scope  
2 of this exemption. Beginning on July 1, 2017, the exemption  
3 provided by this paragraph (14) includes, but is not  
4 limited to, graphic arts machinery and equipment, as  
5 defined in paragraph (4) of this Section.

6 (15) Proceeds of mandatory service charges separately  
7 stated on customers' bills for purchase and consumption of  
8 food and beverages, to the extent that the proceeds of the  
9 service charge are in fact turned over as tips or as a  
10 substitute for tips to the employees who participate  
11 directly in preparing, serving, hosting or cleaning up the  
12 food or beverage function with respect to which the service  
13 charge is imposed.

14 (16) Tangible personal property sold to a purchaser if  
15 the purchaser is exempt from use tax by operation of  
16 federal law. This paragraph is exempt from the provisions  
17 of Section 2-70.

18 (17) Tangible personal property sold to a common  
19 carrier by rail or motor that receives the physical  
20 possession of the property in Illinois and that transports  
21 the property, or shares with another common carrier in the  
22 transportation of the property, out of Illinois on a  
23 standard uniform bill of lading showing the seller of the  
24 property as the shipper or consignor of the property to a  
25 destination outside Illinois, for use outside Illinois.

26 (18) Legal tender, currency, medallions, or gold or

1 silver coinage issued by the State of Illinois, the  
2 government of the United States of America, or the  
3 government of any foreign country, and bullion.

4 (19) Until July 1, 2003, oil field exploration,  
5 drilling, and production equipment, including (i) rigs and  
6 parts of rigs, rotary rigs, cable tool rigs, and workover  
7 rigs, (ii) pipe and tubular goods, including casing and  
8 drill strings, (iii) pumps and pump-jack units, (iv)  
9 storage tanks and flow lines, (v) any individual  
10 replacement part for oil field exploration, drilling, and  
11 production equipment, and (vi) machinery and equipment  
12 purchased for lease; but excluding motor vehicles required  
13 to be registered under the Illinois Vehicle Code.

14 (20) Photoprocessing machinery and equipment,  
15 including repair and replacement parts, both new and used,  
16 including that manufactured on special order, certified by  
17 the purchaser to be used primarily for photoprocessing, and  
18 including photoprocessing machinery and equipment  
19 purchased for lease.

20 (21) Until July 1, 2023, coal and aggregate  
21 exploration, mining, off-highway hauling, processing,  
22 maintenance, and reclamation equipment, including  
23 replacement parts and equipment, and including equipment  
24 purchased for lease, but excluding motor vehicles required  
25 to be registered under the Illinois Vehicle Code. The  
26 changes made to this Section by Public Act 97-767 apply on

1 and after July 1, 2003, but no claim for credit or refund  
2 is allowed on or after August 16, 2013 (the effective date  
3 of Public Act 98-456) for such taxes paid during the period  
4 beginning July 1, 2003 and ending on August 16, 2013 (the  
5 effective date of Public Act 98-456).

6 (22) Until June 30, 2013, fuel and petroleum products  
7 sold to or used by an air carrier, certified by the carrier  
8 to be used for consumption, shipment, or storage in the  
9 conduct of its business as an air common carrier, for a  
10 flight destined for or returning from a location or  
11 locations outside the United States without regard to  
12 previous or subsequent domestic stopovers.

13 Beginning July 1, 2013, fuel and petroleum products  
14 sold to or used by an air carrier, certified by the carrier  
15 to be used for consumption, shipment, or storage in the  
16 conduct of its business as an air common carrier, for a  
17 flight that (i) is engaged in foreign trade or is engaged  
18 in trade between the United States and any of its  
19 possessions and (ii) transports at least one individual or  
20 package for hire from the city of origination to the city  
21 of final destination on the same aircraft, without regard  
22 to a change in the flight number of that aircraft.

23 (23) A transaction in which the purchase order is  
24 received by a florist who is located outside Illinois, but  
25 who has a florist located in Illinois deliver the property  
26 to the purchaser or the purchaser's donee in Illinois.

1           (24) Fuel consumed or used in the operation of ships,  
2 barges, or vessels that are used primarily in or for the  
3 transportation of property or the conveyance of persons for  
4 hire on rivers bordering on this State if the fuel is  
5 delivered by the seller to the purchaser's barge, ship, or  
6 vessel while it is afloat upon that bordering river.

7           (25) Except as provided in item (25-5) of this Section,  
8 a motor vehicle sold in this State to a nonresident even  
9 though the motor vehicle is delivered to the nonresident in  
10 this State, if the motor vehicle is not to be titled in  
11 this State, and if a drive-away permit is issued to the  
12 motor vehicle as provided in Section 3-603 of the Illinois  
13 Vehicle Code or if the nonresident purchaser has vehicle  
14 registration plates to transfer to the motor vehicle upon  
15 returning to his or her home state. The issuance of the  
16 drive-away permit or having the out-of-state registration  
17 plates to be transferred is prima facie evidence that the  
18 motor vehicle will not be titled in this State.

19           (25-5) The exemption under item (25) does not apply if  
20 the state in which the motor vehicle will be titled does  
21 not allow a reciprocal exemption for a motor vehicle sold  
22 and delivered in that state to an Illinois resident but  
23 titled in Illinois. The tax collected under this Act on the  
24 sale of a motor vehicle in this State to a resident of  
25 another state that does not allow a reciprocal exemption  
26 shall be imposed at a rate equal to the state's rate of tax

1 on taxable property in the state in which the purchaser is  
2 a resident, except that the tax shall not exceed the tax  
3 that would otherwise be imposed under this Act. At the time  
4 of the sale, the purchaser shall execute a statement,  
5 signed under penalty of perjury, of his or her intent to  
6 title the vehicle in the state in which the purchaser is a  
7 resident within 30 days after the sale and of the fact of  
8 the payment to the State of Illinois of tax in an amount  
9 equivalent to the state's rate of tax on taxable property  
10 in his or her state of residence and shall submit the  
11 statement to the appropriate tax collection agency in his  
12 or her state of residence. In addition, the retailer must  
13 retain a signed copy of the statement in his or her  
14 records. Nothing in this item shall be construed to require  
15 the removal of the vehicle from this state following the  
16 filing of an intent to title the vehicle in the purchaser's  
17 state of residence if the purchaser titles the vehicle in  
18 his or her state of residence within 30 days after the date  
19 of sale. The tax collected under this Act in accordance  
20 with this item (25-5) shall be proportionately distributed  
21 as if the tax were collected at the 6.25% general rate  
22 imposed under this Act.

23 (25-7) Beginning on July 1, 2007, no tax is imposed  
24 under this Act on the sale of an aircraft, as defined in  
25 Section 3 of the Illinois Aeronautics Act, if all of the  
26 following conditions are met:

1           (1) the aircraft leaves this State within 15 days  
2 after the later of either the issuance of the final  
3 billing for the sale of the aircraft, or the authorized  
4 approval for return to service, completion of the  
5 maintenance record entry, and completion of the test  
6 flight and ground test for inspection, as required by  
7 14 C.F.R. 91.407;

8           (2) the aircraft is not based or registered in this  
9 State after the sale of the aircraft; and

10           (3) the seller retains in his or her books and  
11 records and provides to the Department a signed and  
12 dated certification from the purchaser, on a form  
13 prescribed by the Department, certifying that the  
14 requirements of this item (25-7) are met. The  
15 certificate must also include the name and address of  
16 the purchaser, the address of the location where the  
17 aircraft is to be titled or registered, the address of  
18 the primary physical location of the aircraft, and  
19 other information that the Department may reasonably  
20 require.

21 For purposes of this item (25-7):

22 "Based in this State" means hangared, stored, or  
23 otherwise used, excluding post-sale customizations as  
24 defined in this Section, for 10 or more days in each  
25 12-month period immediately following the date of the sale  
26 of the aircraft.

1           "Registered in this State" means an aircraft  
2 registered with the Department of Transportation,  
3 Aeronautics Division, or titled or registered with the  
4 Federal Aviation Administration to an address located in  
5 this State.

6           This paragraph (25-7) is exempt from the provisions of  
7 Section 2-70.

8           (26) Semen used for artificial insemination of  
9 livestock for direct agricultural production.

10           (27) Horses, or interests in horses, registered with  
11 and meeting the requirements of any of the Arabian Horse  
12 Club Registry of America, Appaloosa Horse Club, American  
13 Quarter Horse Association, United States Trotting  
14 Association, or Jockey Club, as appropriate, used for  
15 purposes of breeding or racing for prizes. This item (27)  
16 is exempt from the provisions of Section 2-70, and the  
17 exemption provided for under this item (27) applies for all  
18 periods beginning May 30, 1995, but no claim for credit or  
19 refund is allowed on or after January 1, 2008 (the  
20 effective date of Public Act 95-88) for such taxes paid  
21 during the period beginning May 30, 2000 and ending on  
22 January 1, 2008 (the effective date of Public Act 95-88).

23           (28) Computers and communications equipment utilized  
24 for any hospital purpose and equipment used in the  
25 diagnosis, analysis, or treatment of hospital patients  
26 sold to a lessor who leases the equipment, under a lease of

1           one year or longer executed or in effect at the time of the  
2           purchase, to a hospital that has been issued an active tax  
3           exemption identification number by the Department under  
4           Section 1g of this Act.

5           (29) Personal property sold to a lessor who leases the  
6           property, under a lease of one year or longer executed or  
7           in effect at the time of the purchase, to a governmental  
8           body that has been issued an active tax exemption  
9           identification number by the Department under Section 1g of  
10          this Act.

11          (30) Beginning with taxable years ending on or after  
12          December 31, 1995 and ending with taxable years ending on  
13          or before December 31, 2004, personal property that is  
14          donated for disaster relief to be used in a State or  
15          federally declared disaster area in Illinois or bordering  
16          Illinois by a manufacturer or retailer that is registered  
17          in this State to a corporation, society, association,  
18          foundation, or institution that has been issued a sales tax  
19          exemption identification number by the Department that  
20          assists victims of the disaster who reside within the  
21          declared disaster area.

22          (31) Beginning with taxable years ending on or after  
23          December 31, 1995 and ending with taxable years ending on  
24          or before December 31, 2004, personal property that is used  
25          in the performance of infrastructure repairs in this State,  
26          including but not limited to municipal roads and streets,



1 access roads, bridges, sidewalks, waste disposal systems,  
2 water and sewer line extensions, water distribution and  
3 purification facilities, storm water drainage and  
4 retention facilities, and sewage treatment facilities,  
5 resulting from a State or federally declared disaster in  
6 Illinois or bordering Illinois when such repairs are  
7 initiated on facilities located in the declared disaster  
8 area within 6 months after the disaster.

9 (32) Beginning July 1, 1999, game or game birds sold at  
10 a "game breeding and hunting preserve area" as that term is  
11 used in the Wildlife Code. This paragraph is exempt from  
12 the provisions of Section 2-70.

13 (33) A motor vehicle, as that term is defined in  
14 Section 1-146 of the Illinois Vehicle Code, that is donated  
15 to a corporation, limited liability company, society,  
16 association, foundation, or institution that is determined  
17 by the Department to be organized and operated exclusively  
18 for educational purposes. For purposes of this exemption,  
19 "a corporation, limited liability company, society,  
20 association, foundation, or institution organized and  
21 operated exclusively for educational purposes" means all  
22 tax-supported public schools, private schools that offer  
23 systematic instruction in useful branches of learning by  
24 methods common to public schools and that compare favorably  
25 in their scope and intensity with the course of study  
26 presented in tax-supported schools, and vocational or

1 technical schools or institutes organized and operated  
2 exclusively to provide a course of study of not less than 6  
3 weeks duration and designed to prepare individuals to  
4 follow a trade or to pursue a manual, technical,  
5 mechanical, industrial, business, or commercial  
6 occupation.

7 (34) Beginning January 1, 2000, personal property,  
8 including food, purchased through fundraising events for  
9 the benefit of a public or private elementary or secondary  
10 school, a group of those schools, or one or more school  
11 districts if the events are sponsored by an entity  
12 recognized by the school district that consists primarily  
13 of volunteers and includes parents and teachers of the  
14 school children. This paragraph does not apply to  
15 fundraising events (i) for the benefit of private home  
16 instruction or (ii) for which the fundraising entity  
17 purchases the personal property sold at the events from  
18 another individual or entity that sold the property for the  
19 purpose of resale by the fundraising entity and that  
20 profits from the sale to the fundraising entity. This  
21 paragraph is exempt from the provisions of Section 2-70.

22 (35) Beginning January 1, 2000 and through December 31,  
23 2001, new or used automatic vending machines that prepare  
24 and serve hot food and beverages, including coffee, soup,  
25 and other items, and replacement parts for these machines.  
26 Beginning January 1, 2002 and through June 30, 2003,

1 machines and parts for machines used in commercial,  
2 coin-operated amusement and vending business if a use or  
3 occupation tax is paid on the gross receipts derived from  
4 the use of the commercial, coin-operated amusement and  
5 vending machines. This paragraph is exempt from the  
6 provisions of Section 2-70.

7 (35-5) Beginning August 23, 2001 and through June 30,  
8 2016, food for human consumption that is to be consumed off  
9 the premises where it is sold (other than alcoholic  
10 beverages, soft drinks, and food that has been prepared for  
11 immediate consumption) and prescription and  
12 nonprescription medicines, drugs, medical appliances, and  
13 insulin, urine testing materials, syringes, and needles  
14 used by diabetics, for human use, when purchased for use by  
15 a person receiving medical assistance under Article V of  
16 the Illinois Public Aid Code who resides in a licensed  
17 long-term care facility, as defined in the Nursing Home  
18 Care Act, or a licensed facility as defined in the ID/DD  
19 Community Care Act, the MC/DD Act, or the Specialized  
20 Mental Health Rehabilitation Act of 2013.

21 (36) Beginning August 2, 2001, computers and  
22 communications equipment utilized for any hospital purpose  
23 and equipment used in the diagnosis, analysis, or treatment  
24 of hospital patients sold to a lessor who leases the  
25 equipment, under a lease of one year or longer executed or  
26 in effect at the time of the purchase, to a hospital that

1 has been issued an active tax exemption identification  
2 number by the Department under Section 1g of this Act. This  
3 paragraph is exempt from the provisions of Section 2-70.

4 (37) Beginning August 2, 2001, personal property sold  
5 to a lessor who leases the property, under a lease of one  
6 year or longer executed or in effect at the time of the  
7 purchase, to a governmental body that has been issued an  
8 active tax exemption identification number by the  
9 Department under Section 1g of this Act. This paragraph is  
10 exempt from the provisions of Section 2-70.

11 (38) Beginning on January 1, 2002 and through June 30,  
12 2016, tangible personal property purchased from an  
13 Illinois retailer by a taxpayer engaged in centralized  
14 purchasing activities in Illinois who will, upon receipt of  
15 the property in Illinois, temporarily store the property in  
16 Illinois (i) for the purpose of subsequently transporting  
17 it outside this State for use or consumption thereafter  
18 solely outside this State or (ii) for the purpose of being  
19 processed, fabricated, or manufactured into, attached to,  
20 or incorporated into other tangible personal property to be  
21 transported outside this State and thereafter used or  
22 consumed solely outside this State. The Director of Revenue  
23 shall, pursuant to rules adopted in accordance with the  
24 Illinois Administrative Procedure Act, issue a permit to  
25 any taxpayer in good standing with the Department who is  
26 eligible for the exemption under this paragraph (38). The

1 permit issued under this paragraph (38) shall authorize the  
2 holder, to the extent and in the manner specified in the  
3 rules adopted under this Act, to purchase tangible personal  
4 property from a retailer exempt from the taxes imposed by  
5 this Act. Taxpayers shall maintain all necessary books and  
6 records to substantiate the use and consumption of all such  
7 tangible personal property outside of the State of  
8 Illinois.

9 (39) Beginning January 1, 2008, tangible personal  
10 property used in the construction or maintenance of a  
11 community water supply, as defined under Section 3.145 of  
12 the Environmental Protection Act, that is operated by a  
13 not-for-profit corporation that holds a valid water supply  
14 permit issued under Title IV of the Environmental  
15 Protection Act. This paragraph is exempt from the  
16 provisions of Section 2-70.

17 (40) Beginning January 1, 2010, materials, parts,  
18 equipment, components, and furnishings incorporated into  
19 or upon an aircraft as part of the modification,  
20 refurbishment, completion, replacement, repair, or  
21 maintenance of the aircraft. This exemption includes  
22 consumable supplies used in the modification,  
23 refurbishment, completion, replacement, repair, and  
24 maintenance of aircraft, but excludes any materials,  
25 parts, equipment, components, and consumable supplies used  
26 in the modification, replacement, repair, and maintenance

1 of aircraft engines or power plants, whether such engines  
2 or power plants are installed or uninstalled upon any such  
3 aircraft. "Consumable supplies" include, but are not  
4 limited to, adhesive, tape, sandpaper, general purpose  
5 lubricants, cleaning solution, latex gloves, and  
6 protective films. This exemption applies only to the sale  
7 of qualifying tangible personal property to persons who  
8 modify, refurbish, complete, replace, or maintain an  
9 aircraft and who (i) hold an Air Agency Certificate and are  
10 empowered to operate an approved repair station by the  
11 Federal Aviation Administration, (ii) have a Class IV  
12 Rating, and (iii) conduct operations in accordance with  
13 Part 145 of the Federal Aviation Regulations. The exemption  
14 does not include aircraft operated by a commercial air  
15 carrier providing scheduled passenger air service pursuant  
16 to authority issued under Part 121 or Part 129 of the  
17 Federal Aviation Regulations. The changes made to this  
18 paragraph (40) by Public Act 98-534 are declarative of  
19 existing law.

20 (41) Tangible personal property sold to a  
21 public-facilities corporation, as described in Section  
22 11-65-10 of the Illinois Municipal Code, for purposes of  
23 constructing or furnishing a municipal convention hall,  
24 but only if the legal title to the municipal convention  
25 hall is transferred to the municipality without any further  
26 consideration by or on behalf of the municipality at the

1 time of the completion of the municipal convention hall or  
2 upon the retirement or redemption of any bonds or other  
3 debt instruments issued by the public-facilities  
4 corporation in connection with the development of the  
5 municipal convention hall. This exemption includes  
6 existing public-facilities corporations as provided in  
7 Section 11-65-25 of the Illinois Municipal Code. This  
8 paragraph is exempt from the provisions of Section 2-70.

9 (42) Beginning January 1, 2017, menstrual pads,  
10 tampons, and menstrual cups.

11 (43) Merchandise that is subject to the Rental Purchase  
12 Agreement Occupation and Use Tax. The purchaser must  
13 certify that the item is purchased to be rented subject to  
14 a rental purchase agreement, as defined in the Rental  
15 Purchase Agreement Act, and provide proof of registration  
16 under the Rental Purchase Agreement Occupation and Use Tax  
17 Act. This paragraph is exempt from the provisions of  
18 Section 2-70.

19 (44) Qualified tangible personal property used in the  
20 construction or operation of a data center that has been  
21 granted a certificate of exemption by the Department of  
22 Commerce and Economic Opportunity, whether that tangible  
23 personal property is purchased by the owner, operator, or  
24 tenant of the data center or by a contractor or  
25 subcontractor of the owner, operator, or tenant. Data  
26 centers that would have qualified for a certificate of

1 exemption prior to January 1, 2020 had this amendatory Act  
2 of the 101st General Assembly been in effect, may apply for  
3 and obtain an exemption for subsequent purchases of  
4 computer equipment or enabling software purchased or  
5 leased to upgrade, supplement, or replace computer  
6 equipment or enabling software purchased or leased in the  
7 original investment that would have qualified.

8 The Department of Commerce and Economic Opportunity  
9 shall grant a certificate of exemption under this item (44)  
10 to qualified data centers as defined by Section 605-1025 of  
11 the Department of Commerce and Economic Opportunity Law of  
12 the Civil Administrative Code of Illinois.

13 For the purposes of this item (44):

14 "Data center" means a building or a series of  
15 buildings rehabilitated or constructed to house  
16 working servers in one physical location or multiple  
17 sites within the State of Illinois.

18 "Qualified tangible personal property" means:  
19 electrical systems and equipment; climate control and  
20 chilling equipment and systems; mechanical systems and  
21 equipment; monitoring and secure systems; emergency  
22 generators; hardware; computers; servers; data storage  
23 devices; network connectivity equipment; racks;  
24 cabinets; telecommunications cabling infrastructure;  
25 raised floor systems; peripheral components or  
26 systems; software; mechanical, electrical, or plumbing



1 systems; battery systems; cooling systems and towers;  
2 temperature control systems; other cabling; and other  
3 data center infrastructure equipment and systems  
4 necessary to operate qualified tangible personal  
5 property, including fixtures; and component parts of  
6 any of the foregoing, including installation,  
7 maintenance, repair, refurbishment, and replacement of  
8 qualified tangible personal property to generate,  
9 transform, transmit, distribute, or manage electricity  
10 necessary to operate qualified tangible personal  
11 property; and all other tangible personal property  
12 that is essential to the operations of a computer data  
13 center. The term "qualified tangible personal  
14 property" also includes building materials physically  
15 incorporated in to the qualifying data center. To  
16 document the exemption allowed under this Section, the  
17 retailer must obtain from the purchaser a copy of the  
18 certificate of eligibility issued by the Department of  
19 Commerce and Economic Opportunity.

20 This item (44) is exempt from the provisions of Section  
21 2-70.

22 (45) Beginning July 1, 2020, breast pumps, breast pump  
23 collection and storage supplies, and breast pump kits. This  
24 item (45) is exempt from the provisions of Section 2-70.

25 As used in this item (45), "breast pump" means an  
26 electrically or manually-controlled pump device designed

1 or marketed to be used to express milk from a human breast  
2 during lactation, including the pump device and any  
3 battery, AC adapter, or other power supply unit packaged  
4 and sold with the pump device at the time of sale to power  
5 the pump device.

6 "Breast pump collection and storage supplies" means  
7 items of tangible personal property designed or marketed to  
8 be used in conjunction with a breast pump to collect milk  
9 expressed from a human breast and to store collected milk  
10 until it is ready for consumption. "Breast pump collection  
11 and storage supplies" includes, but is not limited to:  
12 breast shields and breast shield connectors; breast pump  
13 tubes and tubing adapters; breast pump valves and  
14 membranes; backflow protectors and backflow protector  
15 adaptors; bottles and bottle caps specific to the operation  
16 of the breast pump; breast milk storage bags; and other  
17 items that may be useful to initiate, support, or sustain  
18 breast-feeding using a breast pump during lactation that  
19 may be sold separately but are generally sold as part of a  
20 breast pump kit.

21 "Breast pump collection and storage supplies" does not  
22 include: (1) bottles and bottle caps not specific to the  
23 operation of the breast pump, (2) breast pump travel bags  
24 and other similar carrying accessories, including ice  
25 packs, labels, and other similar products; (3) breast pump  
26 cleaning supplies; (4) nursing bras, bra pads, breast

1 shells, and other similar products; and (5) creams,  
2 ointments, and other similar products that relieve  
3 breastfeeding-related symptoms or conditions of the  
4 breasts or nipples, unless sold as part of a breast pump  
5 kit pre-packaged by the breast pump manufacturer or  
6 distributor.

7 "Breast pump kit" means a kit that contains a breast  
8 pump and breast pump collection and storage supplies or  
9 other taxable items of tangible personal property that may  
10 be useful to initiate, support, or sustain breastfeeding  
11 using a breast pump during lactation, so long as the other  
12 taxable items of tangible personal property sold with the  
13 breast pump kit at the time of sale are less than 10% of  
14 the total sales price of the breast pump kit.

15 (Source: P.A. 100-22, eff. 7-6-17; 100-321, eff. 8-24-17;  
16 100-437, eff. 1-1-18; 100-594, eff. 6-29-18; 100-863, eff.  
17 8-14-18; 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81,  
18 eff. 7-12-19.)

19 Section 99. Effective date. This Act takes effect upon  
20 becoming law.