



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB0154

Introduced 1/22/2021, by Rep. Barbara Hernandez, Margaret Croke and Lindsey LaPointe

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.

LRB102 03886 HLH 13901 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
20 or cultural organization that establishes, by proof required
21 by the Department by rule, that it has received an exemption
22 under Section 501(c)(3) of the Internal Revenue Code and that
23 is 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
24 exemption 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
5 and 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
11 a graphic arts product. Beginning on July 1, 2017, graphic
12 arts machinery and equipment is included in the manufacturing
13 and assembling machinery and equipment exemption under
14 paragraph (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
9 to be registered under Section 3-809 of the Illinois Vehicle
10 Code, but excluding other motor vehicles required to be
11 registered under the Illinois Vehicle Code. Horticultural
12 polyhouses or hoop houses used for propagating, growing, or
13 overwintering plants shall be considered farm machinery and
14 equipment under this item (11). Agricultural chemical tender
15 tanks and dry boxes shall include units sold separately from a
16 motor vehicle required to be licensed and units sold mounted
17 on a motor vehicle required to be licensed if the selling price
18 of the 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
12 conduct of its business as an air common carrier, for a flight
13 destined for or returning from a location or locations outside
14 the United States without regard to previous or subsequent
15 domestic stopovers.

16 Beginning July 1, 2013, fuel and petroleum products sold
17 to or used by an air carrier, certified by the carrier to be
18 used for consumption, shipment, or storage in the conduct of
19 its 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
22 at 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
10 rigs, rotary rigs, cable tool rigs, and workover rigs, (ii)
11 pipe and tubular goods, including casing and drill strings,
12 (iii) pumps and pump-jack units, (iv) storage tanks and flow
13 lines, (v) any individual replacement part for oil field
14 exploration, drilling, and production equipment, and (vi)
15 machinery and equipment purchased for lease; but excluding
16 motor vehicles required to be registered under the Illinois
17 Vehicle Code.

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

23 (16) Until July 1, 2023, coal and aggregate exploration,
24 mining, off-highway hauling, processing, maintenance, and
25 reclamation equipment, including replacement parts and
26 equipment, and including equipment purchased for lease, but

1 excluding motor vehicles required to be registered under the
2 Illinois Vehicle Code. The changes made to this Section by
3 Public Act 97-767 apply on and after July 1, 2003, but no claim
4 for credit or refund is allowed on or after August 16, 2013
5 (the effective date of Public Act 98-456) for such taxes paid
6 during the period beginning July 1, 2003 and ending on August
7 16, 2013 (the effective date of Public Act 98-456).

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

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

1 July 1, 2019. The exemption provided by this paragraph (18)
2 does not include machinery and equipment used in (i) the
3 generation of electricity for wholesale or retail sale; (ii)
4 the generation or treatment of natural or artificial gas for
5 wholesale or retail sale that is delivered to customers
6 through pipes, pipelines, or mains; or (iii) the treatment of
7 water for wholesale or retail sale that is delivered to
8 customers through pipes, pipelines, or mains. The provisions
9 of Public Act 98-583 are declaratory of existing law as to the
10 meaning and scope of this exemption. Beginning on July 1,
11 2017, the exemption provided by this paragraph (18) includes,
12 but is not limited to, graphic arts machinery and equipment,
13 as defined in paragraph (6) of this Section.

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

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

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

1 provisions of Section 3-90, and the exemption provided for
2 under this item (21) applies for all periods beginning May 30,
3 1995, but no claim for credit or refund is allowed on or after
4 January 1, 2008 for such taxes paid during the period
5 beginning May 30, 2000 and ending on January 1, 2008.

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

1 for any reason, the lessor is liable to pay that amount to the
2 Department.

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

24 (24) Beginning with taxable years ending on or after
25 December 31, 1995 and ending with taxable years ending on or
26 before December 31, 2004, personal property that is donated

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

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

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

25 (27) A motor vehicle, as that term is defined in Section
26 1-146 of the Illinois Vehicle Code, that is donated to a

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

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

1 entity purchases the personal property sold at the events from
2 another individual or entity that sold the property for the
3 purpose of resale by the fundraising entity and that profits
4 from the sale to the fundraising entity. This paragraph is
5 exempt from the provisions of Section 3-90.

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

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

1 in the ID/DD Community Care Act, the MC/DD Act, or the
2 Specialized Mental Health Rehabilitation Act of 2013.

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

1 Section 3-90.

2 (32) Beginning on August 2, 2001 (the effective date of
3 Public Act 92-227), personal property purchased by a lessor
4 who leases the property, under a lease of one year or longer
5 executed or in effect at the time the lessor would otherwise be
6 subject to the tax imposed by this Act, to a governmental body
7 that has been issued an active sales tax exemption
8 identification number by the Department under Section 1g of
9 the Retailers' Occupation Tax Act. If the property is leased
10 in a manner that does not qualify for this exemption or used in
11 any other nonexempt manner, the lessor shall be liable for the
12 tax imposed under this Act or the Service Use Tax Act, as the
13 case may be, based on the fair market value of the property at
14 the time the nonqualifying use occurs. No lessor shall collect
15 or attempt to collect an amount (however designated) that
16 purports to reimburse that lessor for the tax imposed by this
17 Act or the Service Use Tax Act, as the case may be, if the tax
18 has not been paid by the lessor. If a lessor improperly
19 collects any such amount from the lessee, the lessee shall
20 have a legal right to claim a refund of that amount from the
21 lessor. If, however, that amount is not refunded to the lessee
22 for any reason, the lessor is liable to pay that amount to the
23 Department. This paragraph is exempt from the provisions of
24 Section 3-90.

25 (33) On and after July 1, 2003 and through June 30, 2004,
26 the use in this State of motor vehicles of the second division

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

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

25 (35) Beginning January 1, 2010 and continuing through
26 December 31, 2024, materials, parts, equipment, components,

1 and furnishings incorporated into or upon an aircraft as part
2 of the modification, refurbishment, completion, replacement,
3 repair, or maintenance of the aircraft. This exemption
4 includes consumable supplies used in the modification,
5 refurbishment, completion, replacement, repair, and
6 maintenance of aircraft, but excludes any materials, parts,
7 equipment, components, and consumable supplies used in the
8 modification, replacement, repair, and maintenance of aircraft
9 engines or power plants, whether such engines or power plants
10 are installed or uninstalled upon any such aircraft.
11 "Consumable supplies" include, but are not limited to,
12 adhesive, tape, sandpaper, general purpose lubricants,
13 cleaning solution, latex gloves, and protective films. This
14 exemption applies only to the use of qualifying tangible
15 personal property by persons who modify, refurbish, complete,
16 repair, replace, or maintain aircraft and who (i) hold an Air
17 Agency Certificate and are empowered to operate an approved
18 repair station by the Federal Aviation Administration, (ii)
19 have a Class IV Rating, and (iii) conduct operations in
20 accordance with Part 145 of the Federal Aviation Regulations.
21 The exemption does not include aircraft operated by a
22 commercial air carrier providing scheduled passenger air
23 service pursuant to authority issued under Part 121 or Part
24 129 of the Federal Aviation Regulations. The changes made to
25 this paragraph (35) by Public Act 98-534 are declarative of
26 existing law. It is the intent of the General Assembly that the

1 exemption under this paragraph (35) applies continuously from
2 January 1, 2010 through December 31, 2024; however, no claim
3 for credit or refund is allowed for taxes paid as a result of
4 the disallowance of this exemption on or after January 1, 2015
5 and prior to the effective date of this amendatory Act of the
6 101st General Assembly.

7 (36) Tangible personal property purchased by a
8 public-facilities corporation, as described in Section
9 11-65-10 of the Illinois Municipal Code, for purposes of
10 constructing or furnishing a municipal convention hall, but
11 only if the legal title to the municipal convention hall is
12 transferred to the municipality without any further
13 consideration by or on behalf of the municipality at the time
14 of the completion of the municipal convention hall or upon the
15 retirement or redemption of any bonds or other debt
16 instruments issued by the public-facilities corporation in
17 connection with the development of the municipal convention
18 hall. This exemption includes existing public-facilities
19 corporations as provided in Section 11-65-25 of the Illinois
20 Municipal Code. This paragraph is exempt from the provisions
21 of Section 3-90.

22 (37) Beginning January 1, 2017, menstrual pads, tampons,
23 and menstrual cups.

24 (38) Merchandise that is subject to the Rental Purchase
25 Agreement Occupation and Use Tax. The purchaser must certify
26 that the item is purchased to be rented subject to a rental

1 purchase agreement, as defined in the Rental Purchase
2 Agreement Act, and provide proof of registration under the
3 Rental Purchase Agreement Occupation and Use Tax Act. This
4 paragraph is exempt from the provisions of Section 3-90.

5 (39) Tangible personal property purchased by a purchaser
6 who is exempt from the tax imposed by this Act by operation of
7 federal law. This paragraph is exempt from the provisions of
8 Section 3-90.

9 (40) Qualified tangible personal property used in the
10 construction or operation of a data center that has been
11 granted a certificate of exemption by the Department of
12 Commerce and Economic Opportunity, whether that tangible
13 personal property is purchased by the owner, operator, or
14 tenant of the data center or by a contractor or subcontractor
15 of the owner, operator, or tenant. Data centers that would
16 have qualified for a certificate of exemption prior to January
17 1, 2020 had Public Act 101-31 been in effect may apply for and
18 obtain an exemption for subsequent purchases of computer
19 equipment or enabling software purchased or leased to upgrade,
20 supplement, or replace computer equipment or enabling software
21 purchased or leased in the original investment that would have
22 qualified.

23 The Department of Commerce and Economic Opportunity shall
24 grant a certificate of exemption under this item (40) to
25 qualified data centers as defined by Section 605-1025 of the
26 Department of Commerce and Economic Opportunity Law of the

1 Civil Administrative Code of Illinois.

2 For the purposes of this item (40):

3 "Data center" means a building or a series of
4 buildings rehabilitated or constructed to house working
5 servers in one physical location or multiple sites within
6 the State of Illinois.

7 "Qualified tangible personal property" means:
8 electrical systems and equipment; climate control and
9 chilling equipment and systems; mechanical systems and
10 equipment; monitoring and secure systems; emergency
11 generators; hardware; computers; servers; data storage
12 devices; network connectivity equipment; racks; cabinets;
13 telecommunications cabling infrastructure; raised floor
14 systems; peripheral components or systems; software;
15 mechanical, electrical, or plumbing systems; battery
16 systems; cooling systems and towers; temperature control
17 systems; other cabling; and other data center
18 infrastructure equipment and systems necessary to operate
19 qualified tangible personal property, including fixtures;
20 and component parts of any of the foregoing, including
21 installation, maintenance, repair, refurbishment, and
22 replacement of qualified tangible personal property to
23 generate, transform, transmit, distribute, or manage
24 electricity necessary to operate qualified tangible
25 personal property; and all other tangible personal
26 property that is essential to the operations of a computer

1 data center. The term "qualified tangible personal
2 property" also includes building materials physically
3 incorporated in to the qualifying data center. To document
4 the exemption allowed under this Section, the retailer
5 must obtain from the purchaser a copy of the certificate
6 of eligibility issued by the Department of Commerce and
7 Economic Opportunity.

8 This item (40) is exempt from the provisions of Section
9 3-90.

10 (41) Beginning July 1, 2021, breast pumps, breast pump
11 collection and storage supplies, and breast pump kits. This
12 item (41) is exempt from the provisions of Section 3-90. As
13 used in this item (41):

14 "Breast pump" means an electrically or
15 manually-controlled pump device designed or marketed to be
16 used to express milk from a human breast during lactation,
17 including the pump device and any battery, AC adapter, or
18 other power supply unit packaged and sold with the pump
19 device at the time of sale to power the pump device.

20 "Breast pump collection and storage supplies" means
21 items of tangible personal property designed or marketed
22 to be used in conjunction with a breast pump to collect
23 milk expressed from a human breast and to store collected
24 milk until it is ready for consumption. "Breast pump
25 collection and storage supplies" includes, but is not
26 limited to: breast shields and breast shield connectors;

1 breast pump tubes and tubing adapters; breast pump valves
2 and membranes; backflow protectors and backflow protector
3 adaptors; bottles and bottle caps specific to the
4 operation of the breast pump; breast milk storage bags;
5 and other items that may be useful to initiate, support,
6 or sustain breast-feeding using a breast pump during
7 lactation that may be sold separately but are generally
8 sold as part of a breast pump kit.

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

21 "Breast pump kit" means a kit that contains a breast
22 pump and breast pump collection and storage supplies or
23 other taxable items of tangible personal property that may
24 be useful to initiate, support, or sustain breastfeeding
25 using a breast pump during lactation, so long as the other
26 taxable items of tangible personal property sold with the

1 breast pump kit at the time of sale are less than 10% of
2 the total sales price of the breast pump kit.

3 (Source: P.A. 100-22, eff. 7-6-17; 100-437, eff. 1-1-18;
4 100-594, eff. 6-29-18; 100-863, eff. 8-14-18; 100-1171, eff.
5 1-4-19; 101-9, eff. 6-5-19; 101-31, eff. 6-28-19; 101-81, eff.
6 7-12-19; 101-629, eff. 2-5-20.)

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

9 (35 ILCS 110/3-5)

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

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

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

22 (3) Personal property purchased by a not-for-profit arts
23 or cultural organization that establishes, by proof required
24 by the Department by rule, that it has received an exemption

1 under Section 501(c)(3) of the Internal Revenue Code and that
2 is organized and operated primarily for the presentation or
3 support of arts or cultural programming, activities, or
4 services. These organizations include, but are not limited to,
5 music and dramatic arts organizations such as symphony
6 orchestras and theatrical groups, arts and cultural service
7 organizations, local arts councils, visual arts organizations,
8 and media arts organizations. On and after July 1, 2001 (the
9 effective date of Public Act 92-35), however, an entity
10 otherwise eligible for this exemption shall not make tax-free
11 purchases unless it has an active identification number issued
12 by the Department.

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

17 (5) Until July 1, 2003 and beginning again on September 1,
18 2004 through August 30, 2014, graphic arts machinery and
19 equipment, including repair and replacement parts, both new
20 and used, and including that manufactured on special order or
21 purchased for lease, certified by the purchaser to be used
22 primarily for graphic arts production. Equipment includes
23 chemicals or chemicals acting as catalysts but only if the
24 chemicals or chemicals acting as catalysts effect a direct and
25 immediate change upon a graphic arts product. Beginning on
26 July 1, 2017, graphic arts machinery and equipment is included

1 in the manufacturing and assembling machinery and equipment
2 exemption under Section 2 of this Act.

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

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

25 Farm machinery and equipment shall include precision
26 farming equipment that is installed or purchased to be

1 installed on farm machinery and equipment including, but not
2 limited to, tractors, harvesters, sprayers, planters, seeders,
3 or spreaders. Precision farming equipment includes, but is not
4 limited to, soil testing sensors, computers, monitors,
5 software, global positioning and mapping systems, and other
6 such equipment.

7 Farm machinery and equipment also includes computers,
8 sensors, software, and related equipment used primarily in the
9 computer-assisted operation of production agriculture
10 facilities, equipment, and activities such as, but not limited
11 to, the collection, monitoring, and correlation of animal and
12 crop data for the purpose of formulating animal diets and
13 agricultural chemicals. This item (7) is exempt from the
14 provisions of Section 3-75.

15 (8) Until June 30, 2013, fuel and petroleum products sold
16 to or used by an air common carrier, certified by the carrier
17 to be used for consumption, shipment, or storage in the
18 conduct of its business as an air common carrier, for a flight
19 destined for or returning from a location or locations outside
20 the United States without regard to previous or subsequent
21 domestic stopovers.

22 Beginning July 1, 2013, fuel and petroleum products sold
23 to or used by an air carrier, certified by the carrier to be
24 used for consumption, shipment, or storage in the conduct of
25 its business as an air common carrier, for a flight that (i) is
26 engaged in foreign trade or is engaged in trade between the

1 United States and any of its possessions and (ii) transports
2 at least one individual or package for hire from the city of
3 origination to the city of final destination on the same
4 aircraft, without regard to a change in the flight number of
5 that aircraft.

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

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

25 (11) Proceeds from the sale of photoprocessing machinery
26 and equipment, including repair and replacement parts, both

1 new and used, including that manufactured on special order,
2 certified by the purchaser to be used primarily for
3 photoprocessing, and including photoprocessing machinery and
4 equipment purchased for lease.

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

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

18 (14) 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 (14) is exempt from the
24 provisions of Section 3-75, and the exemption provided for
25 under this item (14) applies for all periods beginning May 30,
26 1995, but no claim for credit or refund is allowed on or after

1 January 1, 2008 (the effective date of Public Act 95-88) for
2 such taxes paid during the period beginning May 30, 2000 and
3 ending on January 1, 2008 (the effective date of Public Act
4 95-88).

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

22 (17) 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
25 for 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 (18) 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
9 the performance of infrastructure repairs in this State,
10 including but not limited to municipal roads and streets,
11 access roads, bridges, sidewalks, waste disposal systems,
12 water and sewer line extensions, water distribution and
13 purification facilities, storm water drainage and retention
14 facilities, and sewage treatment facilities, resulting from a
15 State or federally declared disaster in Illinois or bordering
16 Illinois when such repairs are initiated on facilities located
17 in the declared disaster area within 6 months after the
18 disaster.

19 (19) Beginning July 1, 1999, game or game birds purchased
20 at a "game breeding and hunting preserve area" as that term is
21 used in the Wildlife Code. This paragraph is exempt from the
22 provisions of Section 3-75.

23 (20) A motor vehicle, as that term is defined in Section
24 1-146 of the Illinois Vehicle Code, that is donated to a
25 corporation, limited liability company, society, association,
26 foundation, or institution that is determined by the

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

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

1 purpose of resale by the fundraising entity and that profits
2 from the sale to the fundraising entity. This paragraph is
3 exempt from the provisions of Section 3-75.

4 (22) Beginning January 1, 2000 and through December 31,
5 2001, new or used automatic vending machines that prepare and
6 serve hot food and beverages, including coffee, soup, and
7 other items, and replacement parts for these machines.
8 Beginning January 1, 2002 and through June 30, 2003, machines
9 and parts for machines used in commercial, coin-operated
10 amusement and vending business if a use or occupation tax is
11 paid on the gross receipts derived from the use of the
12 commercial, coin-operated amusement and vending machines. This
13 paragraph is exempt from the provisions of Section 3-75.

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

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

26 (25) Beginning on August 2, 2001 (the effective date of

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

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

1 under Title IV of the Environmental Protection Act. This
2 paragraph is exempt from the provisions of Section 3-75.

3 (27) Beginning January 1, 2010 and continuing through
4 December 31, 2024, materials, parts, equipment, components,
5 and furnishings incorporated into or upon an aircraft as part
6 of the modification, refurbishment, completion, replacement,
7 repair, or maintenance of the aircraft. This exemption
8 includes consumable supplies used in the modification,
9 refurbishment, completion, replacement, repair, and
10 maintenance of aircraft, but excludes any materials, parts,
11 equipment, components, and consumable supplies used in the
12 modification, replacement, repair, and maintenance of aircraft
13 engines or power plants, whether such engines or power plants
14 are installed or uninstalled upon any such aircraft.
15 "Consumable supplies" include, but are not limited to,
16 adhesive, tape, sandpaper, general purpose lubricants,
17 cleaning solution, latex gloves, and protective films. This
18 exemption applies only to the use of qualifying tangible
19 personal property transferred incident to the modification,
20 refurbishment, completion, replacement, repair, or maintenance
21 of aircraft by persons who (i) hold an Air Agency Certificate
22 and are empowered to operate an approved repair station by the
23 Federal Aviation Administration, (ii) have a Class IV Rating,
24 and (iii) conduct operations in accordance with Part 145 of
25 the Federal Aviation Regulations. The exemption does not
26 include aircraft operated by a commercial air carrier

1 providing scheduled passenger air service pursuant to
2 authority issued under Part 121 or Part 129 of the Federal
3 Aviation Regulations. The changes made to this paragraph (27)
4 by Public Act 98-534 are declarative of existing law. It is the
5 intent of the General Assembly that the exemption under this
6 paragraph (27) applies continuously from January 1, 2010
7 through December 31, 2024; however, no claim for credit or
8 refund is allowed for taxes paid as a result of the
9 disallowance of this exemption on or after January 1, 2015 and
10 prior to the effective date of this amendatory Act of the 101st
11 General Assembly.

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

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

3 (30) Tangible personal property transferred to a purchaser
4 who is exempt from the tax imposed by this Act by operation of
5 federal law. This paragraph is exempt from the provisions of
6 Section 3-75.

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

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

26 For the purposes of this item (31):

1 "Data center" means a building or a series of
2 buildings rehabilitated or constructed to house working
3 servers in one physical location or multiple sites within
4 the State of Illinois.

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

1 incorporated in to the qualifying data center. To document
2 the exemption allowed under this Section, the retailer
3 must obtain from the purchaser a copy of the certificate
4 of eligibility issued by the Department of Commerce and
5 Economic Opportunity.

6 This item (31) is exempt from the provisions of Section
7 3-75.

8 (32) Beginning July 1, 2021, breast pumps, breast pump
9 collection and storage supplies, and breast pump kits. This
10 item (32) is exempt from the provisions of Section 3-75. As
11 used in this item (32):

12 "Breast pump" means an electrically or
13 manually-controlled pump device designed or marketed to be
14 used to express milk from a human breast during lactation,
15 including the pump device and any battery, AC adapter, or
16 other power supply unit packaged and sold with the pump
17 device at the time of sale to power the pump device.

18 "Breast pump collection and storage supplies" means
19 items of tangible personal property designed or marketed
20 to be used in conjunction with a breast pump to collect
21 milk expressed from a human breast and to store collected
22 milk until it is ready for consumption. "Breast pump
23 collection and storage supplies" includes, but is not
24 limited to: breast shields and breast shield connectors;
25 breast pump tubes and tubing adapters; breast pump valves
26 and membranes; backflow protectors and backflow protector

1 adaptors; bottles and bottle caps specific to the
2 operation of the breast pump; breast milk storage bags;
3 and other items that may be useful to initiate, support,
4 or sustain breast-feeding using a breast pump during
5 lactation that may be sold separately but are generally
6 sold as part of a breast pump kit.

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

19 "Breast pump kit" means a kit that contains a breast
20 pump and breast pump collection and storage supplies or
21 other taxable items of tangible personal property that may
22 be useful to initiate, support, or sustain breastfeeding
23 using a breast pump during lactation, so long as the other
24 taxable items of tangible personal property sold with the
25 breast pump kit at the time of sale are less than 10% of
26 the total sales price of the breast pump kit.

1 (Source: P.A. 100-22, eff. 7-6-17; 100-594, eff. 6-29-18;
2 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81, eff.
3 7-12-19; 101-629, eff. 2-5-20.)

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

6 (35 ILCS 115/3-5)

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

9 (1) Personal property sold by a corporation, society,
10 association, foundation, institution, or organization, other
11 than a limited liability company, that is organized and
12 operated as a not-for-profit service enterprise for the
13 benefit of persons 65 years of age or older if the personal
14 property was not purchased by the enterprise for the purpose
15 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 any not-for-profit arts
20 or cultural organization that establishes, by proof required
21 by the Department by rule, that it has received an exemption
22 under Section 501(c)(3) of the Internal Revenue Code and that
23 is organized and operated primarily for the presentation or
24 support of arts or cultural programming, activities, or

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

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

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

26 (6) Personal property sold by a teacher-sponsored student

1 organization affiliated with an elementary or secondary school
2 located in Illinois.

3 (7) Farm machinery and equipment, both new and used,
4 including that manufactured on special order, certified by the
5 purchaser to be used primarily for production agriculture or
6 State or federal agricultural programs, including individual
7 replacement parts for the machinery and equipment, including
8 machinery and equipment purchased for lease, and including
9 implements of husbandry defined in Section 1-130 of the
10 Illinois Vehicle Code, farm machinery and agricultural
11 chemical and fertilizer spreaders, and nurse wagons required
12 to be registered under Section 3-809 of the Illinois Vehicle
13 Code, but excluding other motor vehicles required to be
14 registered under the Illinois Vehicle Code. Horticultural
15 polyhouses or hoop houses used for propagating, growing, or
16 overwintering plants shall be considered farm machinery and
17 equipment under this item (7). Agricultural chemical tender
18 tanks and dry boxes shall include units sold separately from a
19 motor vehicle required to be licensed and units sold mounted
20 on a motor vehicle required to be licensed if the selling price
21 of the tender 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 not
25 limited to, tractors, harvesters, sprayers, planters, seeders,
26 or spreaders. Precision farming equipment includes, but is not

1 limited to, soil testing sensors, computers, monitors,
2 software, global positioning and mapping systems, and other
3 such equipment.

4 Farm machinery and equipment also includes computers,
5 sensors, software, and related equipment used primarily in the
6 computer-assisted operation of production agriculture
7 facilities, equipment, and activities such as, but not limited
8 to, the collection, monitoring, and correlation of animal and
9 crop data for the purpose of formulating animal diets and
10 agricultural chemicals. This item (7) is exempt from the
11 provisions of Section 3-55.

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

19 Beginning July 1, 2013, fuel and petroleum products sold
20 to or used by an air carrier, certified by the carrier to be
21 used for consumption, shipment, or storage in the conduct of
22 its business as an air common carrier, for a flight that (i) is
23 engaged in foreign trade or is engaged in trade between the
24 United States and any of its possessions and (ii) transports
25 at least one individual or package for hire from the city of
26 origination to the city of final destination on the same

1 aircraft, without regard to a change in the flight number of
2 that aircraft.

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

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

21 (11) Photoprocessing machinery and equipment, including
22 repair and replacement parts, both new and used, including
23 that manufactured on special order, certified by the purchaser
24 to be used primarily for photoprocessing, and including
25 photoprocessing machinery and equipment purchased for lease.

26 (12) Until July 1, 2023, coal and aggregate exploration,

1 mining, off-highway hauling, processing, maintenance, and
2 reclamation equipment, including replacement parts and
3 equipment, and including equipment purchased for lease, but
4 excluding motor vehicles required to be registered under the
5 Illinois Vehicle Code. The changes made to this Section by
6 Public Act 97-767 apply on and after July 1, 2003, but no claim
7 for credit or refund is allowed on or after August 16, 2013
8 (the effective date of Public Act 98-456) for such taxes paid
9 during the period beginning July 1, 2003 and ending on August
10 16, 2013 (the effective date of Public Act 98-456).

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

24 (14) Semen used for artificial insemination of livestock
25 for direct agricultural production.

26 (15) Horses, or interests in horses, registered with and

1 meeting the requirements of any of the Arabian Horse Club
2 Registry of America, Appaloosa Horse Club, American Quarter
3 Horse Association, United States Trotting Association, or
4 Jockey Club, as appropriate, used for purposes of breeding or
5 racing for prizes. This item (15) is exempt from the
6 provisions of Section 3-55, and the exemption provided for
7 under this item (15) applies for all periods beginning May 30,
8 1995, but no claim for credit or refund is allowed on or after
9 January 1, 2008 (the effective date of Public Act 95-88) for
10 such taxes paid during the period beginning May 30, 2000 and
11 ending on January 1, 2008 (the effective date of Public Act
12 95-88).

13 (16) Computers and communications equipment utilized for
14 any hospital purpose and equipment used in the diagnosis,
15 analysis, or treatment of hospital patients sold to a lessor
16 who leases the equipment, under a lease of one year or longer
17 executed or in effect at the time of the purchase, to a
18 hospital that has been issued an active tax exemption
19 identification number by the Department under Section 1g of
20 the Retailers' Occupation Tax Act.

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

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

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

24 (20) Beginning July 1, 1999, game or game birds sold at a
25 "game breeding and hunting preserve area" as that term is used
26 in the Wildlife Code. This paragraph is exempt from the

1 provisions of Section 3-55.

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

21 (22) 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 3-55.

9 (23) 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
12 other items, and replacement parts for these machines.
13 Beginning January 1, 2002 and through June 30, 2003, machines
14 and parts for machines used in commercial, coin-operated
15 amusement and vending business if a use or occupation tax is
16 paid on the gross receipts derived from the use of the
17 commercial, coin-operated amusement and vending machines. This
18 paragraph is exempt from the provisions of Section 3-55.

19 (24) Beginning on August 2, 2001 (the effective date of
20 Public Act 92-227), computers and communications equipment
21 utilized for any hospital purpose and equipment used in the
22 diagnosis, analysis, or treatment of hospital patients sold to
23 a lessor who leases the equipment, under a lease of one year or
24 longer executed or in effect at the time of the purchase, to a
25 hospital that has been issued an active tax exemption
26 identification number by the Department under Section 1g of

1 the Retailers' Occupation Tax Act. This paragraph is exempt
2 from the provisions of Section 3-55.

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

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

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

8 (27) Beginning January 1, 2008, tangible personal property
9 used in the construction or maintenance of a community water
10 supply, as defined under Section 3.145 of the Environmental
11 Protection Act, that is operated by a not-for-profit
12 corporation that holds a valid water supply permit issued
13 under Title IV of the Environmental Protection Act. This
14 paragraph is exempt from the provisions of Section 3-55.

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

1 corporations as provided in Section 11-65-25 of the Illinois
2 Municipal Code. This paragraph is exempt from the provisions
3 of Section 3-55.

4 (29) Beginning January 1, 2010 and continuing through
5 December 31, 2024, materials, parts, equipment, components,
6 and furnishings incorporated into or upon an aircraft as part
7 of the modification, refurbishment, completion, replacement,
8 repair, or maintenance of the aircraft. This exemption
9 includes consumable supplies used in the modification,
10 refurbishment, completion, replacement, repair, and
11 maintenance of aircraft, but excludes any materials, parts,
12 equipment, components, and consumable supplies used in the
13 modification, replacement, repair, and maintenance of aircraft
14 engines or power plants, whether such engines or power plants
15 are installed or uninstalled upon any such aircraft.
16 "Consumable supplies" include, but are not limited to,
17 adhesive, tape, sandpaper, general purpose lubricants,
18 cleaning solution, latex gloves, and protective films. This
19 exemption applies only to the transfer of qualifying tangible
20 personal property incident to the modification, refurbishment,
21 completion, replacement, repair, or maintenance of an aircraft
22 by persons who (i) hold an Air Agency Certificate and are
23 empowered to operate an approved repair station by the Federal
24 Aviation Administration, (ii) have a Class IV Rating, and
25 (iii) conduct operations in accordance with Part 145 of the
26 Federal Aviation Regulations. The exemption does not include

1 aircraft operated by a commercial air carrier providing
2 scheduled passenger air service pursuant to authority issued
3 under Part 121 or Part 129 of the Federal Aviation
4 Regulations. The changes made to this paragraph (29) by Public
5 Act 98-534 are declarative of existing law. It is the intent of
6 the General Assembly that the exemption under this paragraph
7 (29) applies continuously from January 1, 2010 through
8 December 31, 2024; however, no claim for credit or refund is
9 allowed for taxes paid as a result of the disallowance of this
10 exemption on or after January 1, 2015 and prior to the
11 effective date of this amendatory Act of the 101st General
12 Assembly.

13 (30) Beginning January 1, 2017, menstrual pads, tampons,
14 and menstrual cups.

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

18 (32) Qualified tangible personal property used in the
19 construction or operation of a data center that has been
20 granted a certificate of exemption by the Department of
21 Commerce and Economic Opportunity, whether that tangible
22 personal property is purchased by the owner, operator, or
23 tenant of the data center or by a contractor or subcontractor
24 of the owner, operator, or tenant. Data centers that would
25 have qualified for a certificate of exemption prior to January
26 1, 2020 had this amendatory Act of the 101st General Assembly

1 been in effect, may apply for and obtain an exemption for
2 subsequent purchases of computer equipment or enabling
3 software purchased or leased to upgrade, supplement, or
4 replace computer equipment or enabling software purchased or
5 leased in the original investment that would have qualified.

6 The Department of Commerce and Economic Opportunity shall
7 grant a certificate of exemption under this item (32) to
8 qualified data centers as defined by Section 605-1025 of the
9 Department of Commerce and Economic Opportunity Law of the
10 Civil Administrative Code of Illinois.

11 For the purposes of this item (32):

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

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

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

17 This item (32) is exempt from the provisions of Section
18 3-55.

19 (33) Beginning July 1, 2021, breast pumps, breast pump
20 collection and storage supplies, and breast pump kits. This
21 item (33) is exempt from the provisions of Section 3-55. As
22 used in this item (33):

23 "Breast pump" means an electrically or
24 manually-controlled pump device designed or marketed to be
25 used to express milk from a human breast during lactation,
26 including the pump device and any battery, AC adapter, or

1 other power supply unit packaged and sold with the pump
2 device at the time of sale to power the pump device.

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

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

1 breasts or nipples, unless sold as part of a breast pump
2 kit pre-packaged by the breast pump manufacturer or
3 distributor.

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

12 (Source: P.A. 100-22, eff. 7-6-17; 100-594, eff. 6-29-18;
13 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81, eff.
14 7-12-19; 101-629, eff. 2-5-20.)

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

17 (35 ILCS 120/2-5)

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

21 (1) Farm chemicals.

22 (2) Farm machinery and equipment, both new and used,
23 including that manufactured on special order, certified by
24 the purchaser to be used primarily for production

1 agriculture or State or federal agricultural programs,
2 including individual replacement parts for the machinery
3 and equipment, including machinery and equipment purchased
4 for lease, and including implements of husbandry defined
5 in Section 1-130 of the Illinois Vehicle Code, farm
6 machinery and agricultural chemical and fertilizer
7 spreaders, and nurse wagons required to be registered
8 under Section 3-809 of the Illinois Vehicle Code, but
9 excluding other motor vehicles required to be registered
10 under the Illinois Vehicle Code. Horticultural polyhouses
11 or hoop houses used for propagating, growing, or
12 overwintering plants shall be considered farm machinery
13 and equipment under this item (2). Agricultural chemical
14 tender tanks and dry boxes shall include units sold
15 separately from a motor vehicle required to be licensed
16 and units sold mounted on a motor vehicle required to be
17 licensed, if the selling price of the tender is separately
18 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
22 not limited to, tractors, harvesters, sprayers, planters,
23 seeders, or spreaders. Precision farming equipment
24 includes, but is not limited to, soil testing sensors,
25 computers, monitors, software, global positioning and
26 mapping systems, and other such equipment.

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

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

16 (4) Until July 1, 2003 and beginning again September
17 1, 2004 through August 30, 2014, graphic arts machinery
18 and equipment, including repair and replacement parts,
19 both new and used, and including that manufactured on
20 special order or purchased for lease, certified by the
21 purchaser to be used primarily for graphic arts
22 production. Equipment includes chemicals or chemicals
23 acting as catalysts but only if the chemicals or chemicals
24 acting as catalysts effect a direct and immediate change
25 upon a graphic arts product. Beginning on July 1, 2017,
26 graphic arts machinery and equipment is included in the

1 manufacturing and assembling machinery and equipment
2 exemption under paragraph (14).

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

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

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

13 (8) Personal property sold to an Illinois county fair
14 association for use in conducting, operating, or promoting
15 the county fair.

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

1 On and after July 1, 2001 (the effective date of Public Act
2 92-35), however, an entity otherwise eligible for this
3 exemption shall not make tax-free purchases unless it has
4 an active identification number issued by the Department.

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

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

1 (12) (Blank).

2 (12-5) On and after July 1, 2003 and through June 30,
3 2004, motor vehicles of the second division with a gross
4 vehicle weight in excess of 8,000 pounds that are subject
5 to the commercial distribution fee imposed under Section
6 3-815.1 of the Illinois Vehicle Code. Beginning on July 1,
7 2004 and through June 30, 2005, the use in this State of
8 motor vehicles of the second division: (i) with a gross
9 vehicle weight rating in excess of 8,000 pounds; (ii) that
10 are subject to the commercial distribution fee imposed
11 under Section 3-815.1 of the Illinois Vehicle Code; and
12 (iii) that are primarily used for commercial purposes.
13 Through June 30, 2005, this exemption applies to repair
14 and replacement parts added after the initial purchase of
15 such a motor vehicle if that motor vehicle is used in a
16 manner that would qualify for the rolling stock exemption
17 otherwise provided for in this Act. For purposes of this
18 paragraph, "used for commercial purposes" means the
19 transportation of persons or property in furtherance of
20 any commercial or industrial enterprise whether for-hire
21 or not.

22 (13) Proceeds from sales to owners, lessors, or
23 shippers of tangible personal property that is utilized by
24 interstate carriers for hire for use as rolling stock
25 moving in interstate commerce and equipment operated by a
26 telecommunications provider, licensed as a common carrier

1 by the Federal Communications Commission, which is
2 permanently installed in or affixed to aircraft moving in
3 interstate commerce.

4 (14) Machinery and equipment that will be used by the
5 purchaser, or a lessee of the purchaser, primarily in the
6 process of manufacturing or assembling tangible personal
7 property for wholesale or retail sale or lease, whether
8 the sale or lease is made directly by the manufacturer or
9 by some other person, whether the materials used in the
10 process are owned by the manufacturer or some other
11 person, or whether the sale or lease is made apart from or
12 as an incident to the seller's engaging in the service
13 occupation of producing machines, tools, dies, jigs,
14 patterns, gauges, or other similar items of no commercial
15 value on special order for a particular purchaser. The
16 exemption provided by this paragraph (14) does not include
17 machinery and equipment used in (i) the generation of
18 electricity for wholesale or retail sale; (ii) the
19 generation or treatment of natural or artificial gas for
20 wholesale or retail sale that is delivered to customers
21 through pipes, pipelines, or mains; or (iii) the treatment
22 of water for wholesale or retail sale that is delivered to
23 customers through pipes, pipelines, or mains. The
24 provisions of Public Act 98-583 are declaratory of
25 existing law as to the meaning and scope of this
26 exemption. Beginning on July 1, 2017, the exemption

1 provided by this paragraph (14) includes, but is not
2 limited to, graphic arts machinery and equipment, as
3 defined in paragraph (4) of this Section.

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

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

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

24 (18) Legal tender, currency, medallions, or gold or
25 silver coinage issued by the State of Illinois, the
26 government of the United States of America, or the

1 government of any foreign country, and bullion.

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

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

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

1 of Public Act 98-456) for such taxes paid during the
2 period beginning July 1, 2003 and ending on August 16,
3 2013 (the effective date of Public Act 98-456).

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

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

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

25 (24) Fuel consumed or used in the operation of ships,
26 barges, or vessels that are used primarily in or for the

1 transportation of property or the conveyance of persons
2 for hire on rivers bordering on this State if the fuel is
3 delivered by the seller to the purchaser's barge, ship, or
4 vessel while it is afloat upon that bordering river.

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

18 (25-5) The exemption under item (25) does not apply if
19 the state in which the motor vehicle will be titled does
20 not allow a reciprocal exemption for a motor vehicle sold
21 and delivered in that state to an Illinois resident but
22 titled in Illinois. The tax collected under this Act on
23 the sale of a motor vehicle in this State to a resident of
24 another state that does not allow a reciprocal exemption
25 shall be imposed at a rate equal to the state's rate of tax
26 on taxable property in the state in which the purchaser is

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

22 (25-7) Beginning on July 1, 2007, no tax is imposed
23 under this Act on the sale of an aircraft, as defined in
24 Section 3 of the Illinois Aeronautics Act, if all of the
25 following conditions are met:

26 (1) the aircraft leaves this State within 15 days

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

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

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

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

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

26 "Registered in this State" means an aircraft

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

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

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

9 (27) Horses, or interests in horses, registered with
10 and meeting the requirements of any of the Arabian Horse
11 Club Registry of America, Appaloosa Horse Club, American
12 Quarter Horse Association, United States Trotting
13 Association, or Jockey Club, as appropriate, used for
14 purposes of breeding or racing for prizes. This item (27)
15 is exempt from the provisions of Section 2-70, and the
16 exemption provided for under this item (27) applies for
17 all periods beginning May 30, 1995, but no claim for
18 credit or refund is allowed on or after January 1, 2008
19 (the effective date of Public Act 95-88) for such taxes
20 paid during the period beginning May 30, 2000 and ending
21 on January 1, 2008 (the effective date of Public Act
22 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
10 of 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
19 tax 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
25 used in the performance of infrastructure repairs in this
26 State, including but not limited to municipal roads and

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

9 (32) Beginning July 1, 1999, game or game birds sold
10 at a "game breeding and hunting preserve area" as that
11 term is used in the Wildlife Code. This paragraph is
12 exempt from 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
15 donated to a corporation, limited liability company,
16 society, association, foundation, or institution that is
17 determined by the Department to be organized and operated
18 exclusively for educational purposes. For purposes of this
19 exemption, "a corporation, limited liability company,
20 society, association, foundation, or institution organized
21 and operated exclusively for educational purposes" means
22 all tax-supported public schools, private schools that
23 offer systematic instruction in useful branches of
24 learning by methods common to public schools and that
25 compare favorably in their scope and intensity with the
26 course of study presented in tax-supported schools, and

1 vocational or technical schools or institutes organized
2 and operated exclusively to provide a course of study of
3 not less than 6 weeks duration and designed to prepare
4 individuals to follow a trade or to pursue a manual,
5 technical, 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
19 the 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
23 31, 2001, new or used automatic vending machines that
24 prepare and serve hot food and beverages, including
25 coffee, soup, and other items, and replacement parts for
26 these machines. Beginning January 1, 2002 and through June

1 30, 2003, machines and parts for machines used in
2 commercial, coin-operated amusement and vending business
3 if a use or occupation tax is paid on the gross receipts
4 derived from the use of the commercial, coin-operated
5 amusement and vending machines. This paragraph is exempt
6 from the 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
9 off the premises where it is sold (other than alcoholic
10 beverages, soft drinks, and food that has been prepared
11 for 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
15 by a person receiving medical assistance under Article V
16 of 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
24 treatment of hospital patients sold to a lessor who leases
25 the equipment, under a lease of one year or longer
26 executed or in effect at the time of the purchase, to a

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

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

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

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

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

18 (40) Beginning January 1, 2010 and continuing through
19 December 31, 2024, materials, parts, equipment,
20 components, and furnishings incorporated into or upon an
21 aircraft as part of the modification, refurbishment,
22 completion, replacement, repair, or maintenance of the
23 aircraft. This exemption includes consumable supplies used
24 in the modification, refurbishment, completion,
25 replacement, repair, and maintenance of aircraft, but
26 excludes any materials, parts, equipment, components, and

1 consumable supplies used in the modification, replacement,
2 repair, and maintenance of aircraft engines or power
3 plants, whether such engines or power plants are installed
4 or uninstalled upon any such aircraft. "Consumable
5 supplies" include, but are not limited to, adhesive, tape,
6 sandpaper, general purpose lubricants, cleaning solution,
7 latex gloves, and protective films. This exemption applies
8 only to the sale of qualifying tangible personal property
9 to persons who modify, refurbish, complete, replace, or
10 maintain an aircraft and who (i) hold an Air Agency
11 Certificate and are empowered to operate an approved
12 repair station by the Federal Aviation Administration,
13 (ii) have a Class IV Rating, and (iii) conduct operations
14 in accordance with Part 145 of the Federal Aviation
15 Regulations. The exemption does not include aircraft
16 operated by a commercial air carrier providing scheduled
17 passenger air service pursuant to authority issued under
18 Part 121 or Part 129 of the Federal Aviation Regulations.
19 The changes made to this paragraph (40) by Public Act
20 98-534 are declarative of existing law. It is the intent
21 of the General Assembly that the exemption under this
22 paragraph (40) applies continuously from January 1, 2010
23 through December 31, 2024; however, no claim for credit or
24 refund is allowed for taxes paid as a result of the
25 disallowance of this exemption on or after January 1, 2015
26 and prior to the effective date of this amendatory Act of

1 the 101st General Assembly.

2 (41) Tangible personal property sold to a
3 public-facilities corporation, as described in Section
4 11-65-10 of the Illinois Municipal Code, for purposes of
5 constructing or furnishing a municipal convention hall,
6 but only if the legal title to the municipal convention
7 hall is transferred to the municipality without any
8 further consideration by or on behalf of the municipality
9 at the time of the completion of the municipal convention
10 hall or upon the retirement or redemption of any bonds or
11 other debt instruments issued by the public-facilities
12 corporation in connection with the development of the
13 municipal convention hall. This exemption includes
14 existing public-facilities corporations as provided in
15 Section 11-65-25 of the Illinois Municipal Code. This
16 paragraph is exempt from the provisions of Section 2-70.

17 (42) Beginning January 1, 2017, menstrual pads,
18 tampons, and menstrual cups.

19 (43) Merchandise that is subject to the Rental
20 Purchase Agreement Occupation and Use Tax. The purchaser
21 must certify that the item is purchased to be rented
22 subject to a rental purchase agreement, as defined in the
23 Rental Purchase Agreement Act, and provide proof of
24 registration under the Rental Purchase Agreement
25 Occupation and Use Tax Act. This paragraph is exempt from
26 the provisions of Section 2-70.

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

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

22 For the purposes of this item (44):

23 "Data center" means a building or a series of
24 buildings rehabilitated or constructed to house
25 working servers in one physical location or multiple
26 sites within the State of 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;
7 cabinets; telecommunications cabling infrastructure;
8 raised floor systems; peripheral components or
9 systems; software; mechanical, electrical, or plumbing
10 systems; battery systems; cooling systems and towers;
11 temperature control systems; other cabling; and other
12 data center infrastructure equipment and systems
13 necessary to operate qualified tangible personal
14 property, including fixtures; and component parts of
15 any of the foregoing, including installation,
16 maintenance, repair, refurbishment, and replacement of
17 qualified tangible personal property to generate,
18 transform, transmit, distribute, or manage electricity
19 necessary to operate qualified tangible personal
20 property; and all other tangible personal property
21 that is essential to the operations of a computer data
22 center. The term "qualified tangible personal
23 property" also includes building materials physically
24 incorporated in to the qualifying data center. To
25 document the exemption allowed under this Section, the
26 retailer must obtain from the purchaser a copy of the

1 certificate of eligibility issued by the Department of
2 Commerce and Economic Opportunity.

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

5 (45) Beginning July 1, 2021, breast pumps, breast pump
6 collection and storage supplies, and breast pump kits.
7 This item (45) is exempt from the provisions of Section
8 2-70. As used in this item (45):

9 "Breast pump" means an electrically or
10 manually-controlled pump device designed or marketed to be
11 used to express milk from a human breast during lactation,
12 including the pump device and any battery, AC adapter, or
13 other power supply unit packaged and sold with the pump
14 device at the time of sale to power the pump device.

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

1 or sustain breast-feeding using a breast pump during
2 lactation that may be sold separately but are generally
3 sold as part of a breast pump kit.

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

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

24 (Source: P.A. 100-22, eff. 7-6-17; 100-321, eff. 8-24-17;
25 100-437, eff. 1-1-18; 100-594, eff. 6-29-18; 100-863, eff.
26 8-14-18; 100-1171, eff. 1-4-19; 101-31, eff. 6-28-19; 101-81,

1 eff. 7-12-19; 101-629, eff. 2-5-20.)

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.