



Sen. Christopher Belt

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1 AMENDMENT TO SENATE BILL 2210

2 AMENDMENT NO. _____. Amend Senate Bill 2210 by replacing
3 everything after the enacting clause with the following:

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

1 Illinois county fair association for use in conducting,
2 operating, or promoting the county fair.

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

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

1 limited liability company is organized and operated
2 exclusively for educational purposes. On and after July 1,
3 1987, however, no entity otherwise eligible for this exemption
4 shall make tax-free purchases unless it has an active
5 exemption identification number issued by the Department.

6 (5) Until July 1, 2003, a passenger car that is a
7 replacement vehicle to the extent that the purchase price of
8 the car is subject to the Replacement Vehicle Tax.

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

22 (7) Farm chemicals.

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

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

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

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

26 Farm machinery and equipment shall include precision

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

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

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

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

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

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

15 (14) 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 (15) Photoprocessing machinery and equipment, including
26 repair and replacement parts, both new and used, including

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

4 (16) Until July 1, 2028, coal and aggregate exploration,
5 mining, off-highway hauling, processing, maintenance, and
6 reclamation equipment, including replacement parts and
7 equipment, and including equipment purchased for lease, but
8 excluding motor vehicles required to be registered under the
9 Illinois Vehicle Code. The changes made to this Section by
10 Public Act 97-767 apply on and after July 1, 2003, but no claim
11 for credit or refund is allowed on or after August 16, 2013
12 (the effective date of Public Act 98-456) for such taxes paid
13 during the period beginning July 1, 2003 and ending on August
14 16, 2013 (the effective date of Public Act 98-456).

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

21 (18) Manufacturing and assembling machinery and equipment
22 used primarily in the process of manufacturing or assembling
23 tangible personal property for wholesale or retail sale or
24 lease, whether that sale or lease is made directly by the
25 manufacturer or by some other person, whether the materials
26 used in the process are owned by the manufacturer or some other

1 person, or whether that sale or lease is made apart from or as
2 an incident to the seller's engaging in the service occupation
3 of producing machines, tools, dies, jigs, patterns, gauges, or
4 other similar items of no commercial value on special order
5 for a particular purchaser. The exemption provided by this
6 paragraph (18) includes production related tangible personal
7 property, as defined in Section 3-50, purchased on or after
8 July 1, 2019. The exemption provided by this paragraph (18)
9 does not include machinery and equipment used in (i) the
10 generation of electricity for wholesale or retail sale; (ii)
11 the generation or treatment of natural or artificial gas for
12 wholesale or retail sale that is delivered to customers
13 through pipes, pipelines, or mains; or (iii) the treatment of
14 water for wholesale or retail sale that is delivered to
15 customers through pipes, pipelines, or mains. The provisions
16 of Public Act 98-583 are declaratory of existing law as to the
17 meaning and scope of this exemption. Beginning on July 1,
18 2017, the exemption provided by this paragraph (18) includes,
19 but is not limited to, graphic arts machinery and equipment,
20 as defined in paragraph (6) of this Section.

21 (19) Personal property delivered to a purchaser or
22 purchaser's donee inside Illinois when the purchase order for
23 that personal property was received by a florist located
24 outside Illinois who has a florist located inside Illinois
25 deliver the personal property.

26 (20) Semen used for artificial insemination of livestock

1 for direct agricultural production.

2 (21) Horses, or interests in horses, registered with and
3 meeting the requirements of any of the Arabian Horse Club
4 Registry of America, Appaloosa Horse Club, American Quarter
5 Horse Association, United States Trotting Association, or
6 Jockey Club, as appropriate, used for purposes of breeding or
7 racing for prizes. This item (21) is exempt from the
8 provisions of Section 3-90, and the exemption provided for
9 under this item (21) applies for all periods beginning May 30,
10 1995, but no claim for credit or refund is allowed on or after
11 January 1, 2008 for such taxes paid during the period
12 beginning May 30, 2000 and ending on January 1, 2008.

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

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

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

1 have a legal right to claim a refund of that amount from the
2 lessor. If, however, that amount is not refunded to the lessee
3 for any reason, the lessor is liable to pay that amount to the
4 Department.

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

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

1 disaster.

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

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

25 (28) Beginning January 1, 2000, personal property,
26 including food, purchased through fundraising events for the

1 benefit of a public or private elementary or secondary school,
2 a group of those schools, or one or more school districts if
3 the events are sponsored by an entity recognized by the school
4 district that consists primarily of volunteers and includes
5 parents and teachers of the school children. This paragraph
6 does not apply to fundraising events (i) for the benefit of
7 private home instruction or (ii) for which the fundraising
8 entity purchases the personal property sold at the events from
9 another individual or entity that sold the property for the
10 purpose of resale by the fundraising entity and that profits
11 from the sale to the fundraising entity. This paragraph is
12 exempt from the provisions of Section 3-90.

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

23 (30) Beginning January 1, 2001 and through June 30, 2016,
24 food for human consumption that is to be consumed off the
25 premises where it is sold (other than alcoholic beverages,
26 soft drinks, and food that has been prepared for immediate

1 consumption) and prescription and nonprescription medicines,
2 drugs, medical appliances, and insulin, urine testing
3 materials, syringes, and needles used by diabetics, for human
4 use, when purchased for use by a person receiving medical
5 assistance under Article V of the Illinois Public Aid Code who
6 resides in a licensed long-term care facility, as defined in
7 the Nursing Home Care Act, or in a licensed facility as defined
8 in the ID/DD Community Care Act, the MC/DD Act, or the
9 Specialized Mental Health Rehabilitation Act of 2013.

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

1 this Act or the Service Use Tax Act, as the case may be, if the
2 tax has not been paid by the lessor. If a lessor improperly
3 collects any such amount from the lessee, the lessee shall
4 have a legal right to claim a refund of that amount from the
5 lessor. If, however, that amount is not refunded to the lessee
6 for any reason, the lessor is liable to pay that amount to the
7 Department. This paragraph is exempt from the provisions of
8 Section 3-90.

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

1 have a legal right to claim a refund of that amount from the
2 lessor. If, however, that amount is not refunded to the lessee
3 for any reason, the lessor is liable to pay that amount to the
4 Department. This paragraph is exempt from the provisions of
5 Section 3-90.

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

25 (34) Beginning January 1, 2008, tangible personal property
26 used in the construction or maintenance of a community water

1 supply, as defined under Section 3.145 of the Environmental
2 Protection Act, that is operated by a not-for-profit
3 corporation that holds a valid water supply permit issued
4 under Title IV of the Environmental Protection Act. This
5 paragraph is exempt from the provisions of Section 3-90.

6 (35) Beginning January 1, 2010 and continuing through
7 December 31, 2024, materials, parts, equipment, components,
8 and furnishings incorporated into or upon an aircraft as part
9 of the modification, refurbishment, completion, replacement,
10 repair, or maintenance of the aircraft. This exemption
11 includes consumable supplies used in the modification,
12 refurbishment, completion, replacement, repair, and
13 maintenance of aircraft, ~~but excludes any materials, parts,
14 equipment, components, and consumable supplies used in the
15 modification, replacement, repair, and maintenance of aircraft
16 engines or power plants, whether such engines or power plants
17 are installed or uninstalled upon any such aircraft.~~

18 "Consumable supplies" include, but are not limited to,
19 adhesive, tape, sandpaper, general purpose lubricants,
20 cleaning solution, latex gloves, and protective films. This
21 exemption applies only to the use of qualifying tangible
22 personal property by: (A) persons who modify, refurbish,
23 complete, repair, replace, or maintain aircraft and who (i)
24 hold an Air Agency Certificate and are empowered to operate an
25 approved repair station by the Federal Aviation
26 Administration, (ii) have a Class IV Rating, and (iii) conduct

1 operations in accordance with Part 145 of the Federal Aviation
2 Regulations; and (B) persons who engage in the modification,
3 replacement, repair, and maintenance of aircraft engines and
4 power plants without regard to whether or not those persons
5 meet the qualifications of item (A). The exemption does not
6 include aircraft operated by a commercial air carrier
7 providing scheduled passenger air service pursuant to
8 authority issued under Part 121 or Part 129 of the Federal
9 Aviation Regulations. The changes made to this paragraph (35)
10 by Public Act 98-534 are declarative of existing law. It is the
11 intent of the General Assembly that the exemption under this
12 paragraph (35) applies continuously from January 1, 2010
13 through December 31, 2024; however, no claim for credit or
14 refund is allowed for taxes paid as a result of the
15 disallowance of this exemption on or after January 1, 2015 and
16 prior to February 5, 2020 (the effective date of Public Act
17 101-629) ~~this amendatory Act of the 101st General Assembly.~~

18 (36) Tangible personal property purchased by a
19 public-facilities corporation, as described in Section
20 11-65-10 of the Illinois Municipal Code, for purposes of
21 constructing or furnishing a municipal convention hall, but
22 only if the legal title to the municipal convention hall is
23 transferred to the municipality without any further
24 consideration by or on behalf of the municipality at the time
25 of the completion of the municipal convention hall or upon the
26 retirement or redemption of any bonds or other debt

1 instruments issued by the public-facilities corporation in
2 connection with the development of the municipal convention
3 hall. This exemption includes existing public-facilities
4 corporations as provided in Section 11-65-25 of the Illinois
5 Municipal Code. This paragraph is exempt from the provisions
6 of Section 3-90.

7 (37) Beginning January 1, 2017 and through December 31,
8 2026, menstrual pads, tampons, and menstrual cups.

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

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

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

1 have qualified for a certificate of exemption prior to January
2 1, 2020 had Public Act 101-31 been in effect may apply for and
3 obtain an exemption for subsequent purchases of computer
4 equipment or enabling software purchased or leased to upgrade,
5 supplement, or replace computer equipment or enabling software
6 purchased or leased in the original investment that would have
7 qualified.

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

13 For the purposes of this item (40):

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

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

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

19 This item (40) is exempt from the provisions of Section
20 3-90.

21 (41) Beginning July 1, 2022, breast pumps, breast pump
22 collection and storage supplies, and breast pump kits. This
23 item (41) is exempt from the provisions of Section 3-90. As
24 used in this item (41):

25 "Breast pump" means an electrically controlled or
26 manually controlled pump device designed or marketed to be

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

6 "Breast pump collection and storage supplies" means
7 items of tangible personal property designed or marketed
8 to be used in conjunction with a breast pump to collect
9 milk expressed from a human breast and to store collected
10 milk until it is ready for consumption.

11 "Breast pump collection and storage supplies"
12 includes, but is not limited to: breast shields and breast
13 shield connectors; breast pump tubes and tubing adapters;
14 breast pump valves and membranes; backflow protectors and
15 backflow protector adaptors; bottles and bottle caps
16 specific to the operation of the breast pump; and breast
17 milk storage bags.

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 that is pre-packaged by the breast pump manufacturer
3 or distributor.

4 "Breast pump kit" means a kit that: (1) contains no
5 more than a breast pump, breast pump collection and
6 storage supplies, a rechargeable battery for operating the
7 breast pump, a breastmilk cooler, bottle stands, ice
8 packs, and a breast pump carrying case; and (2) is
9 pre-packaged as a breast pump kit by the breast pump
10 manufacturer or distributor.

11 (42) ~~(41)~~ Tangible personal property sold by or on behalf
12 of the State Treasurer pursuant to the Revised Uniform
13 Unclaimed Property Act. This item (42) ~~(41)~~ is exempt from the
14 provisions of Section 3-90.

15 (Source: P.A. 101-9, eff. 6-5-19; 101-31, eff. 6-28-19;
16 101-81, eff. 7-12-19; 101-629, eff. 2-5-20; 102-16, eff.
17 6-17-21; 102-700, Article 70, Section 70-5, eff. 4-19-22;
18 102-700, Article 75, Section 75-5, eff. 4-19-22; 102-1026,
19 eff. 5-27-22; revised 8-1-22.)

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

22 (35 ILCS 110/3-5)

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

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

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

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

26 (4) Legal tender, currency, medallions, or gold or silver

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

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

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

19 (7) Farm machinery and equipment, both new and used,
20 including that manufactured on special order, certified by the
21 purchaser to be used primarily for production agriculture or
22 State or federal agricultural programs, including individual
23 replacement parts for the machinery and equipment, including
24 machinery and equipment purchased for lease, and including
25 implements of husbandry defined in Section 1-130 of the
26 Illinois Vehicle Code, farm machinery and agricultural

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

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

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

1 provisions of Section 3-75.

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

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

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

1 imposed.

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

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

18 (12) Until July 1, 2028, coal and aggregate exploration,
19 mining, off-highway hauling, processing, maintenance, and
20 reclamation equipment, including replacement parts and
21 equipment, and including equipment purchased for lease, but
22 excluding motor vehicles required to be registered under the
23 Illinois Vehicle Code. The changes made to this Section by
24 Public Act 97-767 apply on and after July 1, 2003, but no claim
25 for credit or refund is allowed on or after August 16, 2013
26 (the effective date of Public Act 98-456) for such taxes paid

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

3 (13) Semen used for artificial insemination of livestock
4 for direct agricultural production.

5 (14) Horses, or interests in horses, registered with and
6 meeting the requirements of any of the Arabian Horse Club
7 Registry of America, Appaloosa Horse Club, American Quarter
8 Horse Association, United States Trotting Association, or
9 Jockey Club, as appropriate, used for purposes of breeding or
10 racing for prizes. This item (14) is exempt from the
11 provisions of Section 3-75, and the exemption provided for
12 under this item (14) applies for all periods beginning May 30,
13 1995, but no claim for credit or refund is allowed on or after
14 January 1, 2008 (the effective date of Public Act 95-88) for
15 such taxes paid during the period beginning May 30, 2000 and
16 ending on January 1, 2008 (the effective date of Public Act
17 95-88).

18 (15) Computers and communications equipment utilized for
19 any hospital purpose and equipment used in the diagnosis,
20 analysis, or treatment of hospital patients purchased by a
21 lessor who leases the equipment, under a lease of one year or
22 longer executed or in effect at the time the lessor would
23 otherwise be subject to the tax imposed by this Act, to a
24 hospital that has been issued an active tax exemption
25 identification number by the Department under Section 1g of
26 the Retailers' Occupation Tax Act. If the equipment is leased

1 in a manner that does not qualify for this exemption or is used
2 in any other non-exempt manner, the lessor shall be liable for
3 the tax imposed under this Act or the Use Tax Act, as the case
4 may be, based on the fair market value of the property at the
5 time the non-qualifying use occurs. No lessor shall collect or
6 attempt to collect an amount (however designated) that
7 purports to reimburse that lessor for the tax imposed by this
8 Act or the Use Tax Act, as the case may be, if the tax has not
9 been paid by the lessor. If a lessor improperly collects any
10 such amount from the lessee, the lessee shall have a legal
11 right to claim a refund of that amount from the lessor. If,
12 however, that amount is not refunded to the lessee for any
13 reason, the lessor is liable to pay that amount to the
14 Department.

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

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

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

19 (18) Beginning with taxable years ending on or after
20 December 31, 1995 and ending with taxable years ending on or
21 before December 31, 2004, personal property that is used in
22 the performance of infrastructure repairs in this State,
23 including but not limited to municipal roads and streets,
24 access roads, bridges, sidewalks, waste disposal systems,
25 water and sewer line extensions, water distribution and
26 purification facilities, storm water drainage and retention

1 facilities, and sewage treatment facilities, resulting from a
2 State or federally declared disaster in Illinois or bordering
3 Illinois when such repairs are initiated on facilities located
4 in the declared disaster area within 6 months after the
5 disaster.

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

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

1 technical, mechanical, industrial, business, or commercial
2 occupation.

3 (21) Beginning January 1, 2000, personal property,
4 including food, purchased through fundraising events for the
5 benefit of a public or private elementary or secondary school,
6 a group of those schools, or one or more school districts if
7 the events are sponsored by an entity recognized by the school
8 district that consists primarily of volunteers and includes
9 parents and teachers of the school children. This paragraph
10 does not apply to fundraising events (i) for the benefit of
11 private home instruction or (ii) for which the fundraising
12 entity purchases the personal property sold at the events from
13 another individual or entity that sold the property for the
14 purpose of resale by the fundraising entity and that profits
15 from the sale to the fundraising entity. This paragraph is
16 exempt from the provisions of Section 3-75.

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

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

14 (24) Beginning on August 2, 2001 (the effective date of
15 Public Act 92-227), computers and communications equipment
16 utilized for any hospital purpose and equipment used in the
17 diagnosis, analysis, or treatment of hospital patients
18 purchased by a lessor who leases the equipment, under a lease
19 of one year or longer executed or in effect at the time the
20 lessor would otherwise be subject to the tax imposed by this
21 Act, to a hospital that has been issued an active tax exemption
22 identification number by the Department under Section 1g of
23 the Retailers' Occupation Tax Act. If the equipment is leased
24 in a manner that does not qualify for this exemption or is used
25 in any other nonexempt manner, the lessor shall be liable for
26 the tax imposed under this Act or the Use Tax Act, as the case

1 may be, based on the fair market value of the property at the
2 time the nonqualifying use occurs. No lessor shall collect or
3 attempt to collect an amount (however designated) that
4 purports to reimburse that lessor for the tax imposed by this
5 Act or the Use Tax Act, as the case may be, if the tax has not
6 been paid by the lessor. If a lessor improperly collects any
7 such amount from the lessee, the lessee shall have a legal
8 right to claim a refund of that amount from the lessor. If,
9 however, that amount is not refunded to the lessee for any
10 reason, the lessor is liable to pay that amount to the
11 Department. This paragraph is exempt from the provisions of
12 Section 3-75.

13 (25) Beginning on August 2, 2001 (the effective date of
14 Public Act 92-227), personal property purchased by a lessor
15 who leases the property, under a lease of one year or longer
16 executed or in effect at the time the lessor would otherwise be
17 subject to the tax imposed by this Act, to a governmental body
18 that has been issued an active tax exemption identification
19 number by the Department under Section 1g of the Retailers'
20 Occupation Tax Act. If the property is leased in a manner that
21 does not qualify for this exemption or is used in any other
22 nonexempt manner, the lessor shall be liable for the tax
23 imposed under this Act or the Use Tax Act, as the case may be,
24 based on the fair market value of the property at the time the
25 nonqualifying use occurs. No lessor shall collect or attempt
26 to collect an amount (however designated) that purports to

1 reimburse that lessor for the tax imposed by this Act or the
2 Use Tax Act, as the case may be, if the tax has not been paid
3 by the lessor. If a lessor improperly collects any such amount
4 from the lessee, the lessee shall have a legal right to claim a
5 refund of that amount from the lessor. If, however, that
6 amount is not refunded to the lessee for any reason, the lessor
7 is liable to pay that amount to the Department. This paragraph
8 is exempt from the provisions of Section 3-75.

9 (26) Beginning January 1, 2008, tangible personal property
10 used in the construction or maintenance of a community water
11 supply, as defined under Section 3.145 of the Environmental
12 Protection Act, that is operated by a not-for-profit
13 corporation that holds a valid water supply permit issued
14 under Title IV of the Environmental Protection Act. This
15 paragraph is exempt from the provisions of Section 3-75.

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

1 ~~are installed or uninstalled upon any such aircraft.~~
2 "Consumable supplies" include, but are not limited to,
3 adhesive, tape, sandpaper, general purpose lubricants,
4 cleaning solution, latex gloves, and protective films. This
5 exemption applies only to the use of qualifying tangible
6 personal property transferred incident to the modification,
7 refurbishment, completion, replacement, repair, or maintenance
8 of aircraft by: (A) persons who (i) hold an Air Agency
9 Certificate and are empowered to operate an approved repair
10 station by the Federal Aviation Administration, (ii) have a
11 Class IV Rating, and (iii) conduct operations in accordance
12 with Part 145 of the Federal Aviation Regulations; and (B)
13 persons who engage in the modification, replacement, repair,
14 and maintenance of aircraft engines and power plants without
15 regard to whether or not those persons meet the qualifications
16 of item (A). The exemption does not include aircraft operated
17 by a commercial air carrier providing scheduled passenger air
18 service pursuant to authority issued under Part 121 or Part
19 129 of the Federal Aviation Regulations. The changes made to
20 this paragraph (27) by Public Act 98-534 are declarative of
21 existing law. It is the intent of the General Assembly that the
22 exemption under this paragraph (27) applies continuously from
23 January 1, 2010 through December 31, 2024; however, no claim
24 for credit or refund is allowed for taxes paid as a result of
25 the disallowance of this exemption on or after January 1, 2015
26 and prior to February 5, 2020 (the effective date of Public Act

1 ~~101-629) this amendatory Act of the 101st General Assembly.~~

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

17 (29) Beginning January 1, 2017 and through December 31,
18 2026, menstrual pads, tampons, and menstrual cups.

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

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

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

12 The Department of Commerce and Economic Opportunity shall
13 grant a certificate of exemption under this item (31) to
14 qualified data centers as defined by Section 605-1025 of the
15 Department of Commerce and Economic Opportunity Law of the
16 Civil Administrative Code of Illinois.

17 For the purposes of this item (31):

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

22 "Qualified tangible personal property" means:
23 electrical systems and equipment; climate control and
24 chilling equipment and systems; mechanical systems and
25 equipment; monitoring and secure systems; emergency
26 generators; hardware; computers; servers; data storage

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

23 This item (31) is exempt from the provisions of Section
24 3-75.

25 (32) Beginning July 1, 2022, breast pumps, breast pump
26 collection and storage supplies, and breast pump kits. This

1 item (32) is exempt from the provisions of Section 3-75. As
2 used in this item (32):

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

10 "Breast pump collection and storage supplies" means
11 items of tangible personal property designed or marketed
12 to be used in conjunction with a breast pump to collect
13 milk expressed from a human breast and to store collected
14 milk until it is ready for consumption.

15 "Breast pump collection and storage supplies"
16 includes, but is not limited to: breast shields and breast
17 shield connectors; breast pump tubes and tubing adapters;
18 breast pump valves and membranes; backflow protectors and
19 backflow protector adaptors; bottles and bottle caps
20 specific to the operation of the breast pump; and breast
21 milk storage bags.

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

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

8 "Breast pump kit" means a kit that: (1) contains no
9 more than a breast pump, breast pump collection and
10 storage supplies, a rechargeable battery for operating the
11 breast pump, a breastmilk cooler, bottle stands, ice
12 packs, and a breast pump carrying case; and (2) is
13 pre-packaged as a breast pump kit by the breast pump
14 manufacturer or distributor.

15 (33) ~~(32)~~ Tangible personal property sold by or on behalf
16 of the State Treasurer pursuant to the Revised Uniform
17 Unclaimed Property Act. This item (33) ~~(32)~~ is exempt from the
18 provisions of Section 3-75.

19 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;
20 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article
21 70, Section 70-10, eff. 4-19-22; 102-700, Article 75, Section
22 75-10, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-3-22.)

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

1 (35 ILCS 115/3-5)

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19 (12) Until July 1, 2028, coal and aggregate exploration,
20 mining, off-highway hauling, processing, maintenance, and
21 reclamation equipment, including replacement parts and
22 equipment, and including equipment purchased for lease, but
23 excluding motor vehicles required to be registered under the
24 Illinois Vehicle Code. The changes made to this Section by
25 Public Act 97-767 apply on and after July 1, 2003, but no claim
26 for credit or refund is allowed on or after August 16, 2013

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

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

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

19 (15) Horses, or interests in horses, registered with and
20 meeting the requirements of any of the Arabian Horse Club
21 Registry of America, Appaloosa Horse Club, American Quarter
22 Horse Association, United States Trotting Association, or
23 Jockey Club, as appropriate, used for purposes of breeding or
24 racing for prizes. This item (15) is exempt from the
25 provisions of Section 3-55, and the exemption provided for
26 under this item (15) applies for all periods beginning May 30,

1 1995, but no claim for credit or refund is allowed on or after
2 January 1, 2008 (the effective date of Public Act 95-88) for
3 such taxes paid during the period beginning May 30, 2000 and
4 ending on January 1, 2008 (the effective date of Public Act
5 95-88).

6 (16) Computers and communications equipment utilized for
7 any hospital purpose and equipment used in the diagnosis,
8 analysis, or treatment of hospital patients sold to a lessor
9 who leases the equipment, under a lease of one year or longer
10 executed or in effect at the time of the purchase, 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.

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

20 (18) Beginning with taxable years ending on or after
21 December 31, 1995 and ending with taxable years ending on or
22 before December 31, 2004, personal property that is donated
23 for disaster relief to be used in a State or federally declared
24 disaster area in Illinois or bordering Illinois by a
25 manufacturer or retailer that is registered in this State to a
26 corporation, society, association, foundation, or institution

1 that has been issued a sales tax exemption identification
2 number by the Department that assists victims of the disaster
3 who reside within the declared disaster area.

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

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

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

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

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

1 exempt from the provisions of Section 3-55.

2 (23) Beginning January 1, 2000 and through December 31,
3 2001, new or used automatic vending machines that prepare and
4 serve hot food and beverages, including coffee, soup, and
5 other items, and replacement parts for these machines.
6 Beginning January 1, 2002 and through June 30, 2003, machines
7 and parts for machines used in commercial, coin-operated
8 amusement and vending business if a use or occupation tax is
9 paid on the gross receipts derived from the use of the
10 commercial, coin-operated amusement and vending machines. This
11 paragraph is exempt from the provisions of Section 3-55.

12 (24) Beginning on August 2, 2001 (the effective date of
13 Public Act 92-227), computers and communications equipment
14 utilized for any hospital purpose and equipment used in the
15 diagnosis, analysis, or treatment of hospital patients sold to
16 a lessor who leases the equipment, under a lease of one year or
17 longer 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. This paragraph is exempt
21 from the provisions of Section 3-55.

22 (25) Beginning on August 2, 2001 (the effective date of
23 Public Act 92-227), personal property sold to a lessor who
24 leases the property, under a lease of one year or longer
25 executed or in effect at the time of the purchase, to a
26 governmental body that has been issued an active tax exemption

1 identification number by the Department under Section 1g of
2 the Retailers' Occupation Tax Act. This paragraph is exempt
3 from the provisions of Section 3-55.

4 (26) Beginning on January 1, 2002 and through June 30,
5 2016, tangible personal property purchased from an Illinois
6 retailer by a taxpayer engaged in centralized purchasing
7 activities in Illinois who will, upon receipt of the property
8 in Illinois, temporarily store the property in Illinois (i)
9 for the purpose of subsequently transporting it outside this
10 State for use or consumption thereafter solely outside this
11 State or (ii) for the purpose of being processed, fabricated,
12 or manufactured into, attached to, or incorporated into other
13 tangible personal property to be transported outside this
14 State and thereafter used or consumed solely outside this
15 State. The Director of Revenue shall, pursuant to rules
16 adopted in accordance with the Illinois Administrative
17 Procedure Act, issue a permit to any taxpayer in good standing
18 with the Department who is eligible for the exemption under
19 this paragraph (26). The permit issued under this paragraph
20 (26) shall authorize the holder, to the extent and in the
21 manner specified in the rules adopted under this Act, to
22 purchase tangible personal property from a retailer exempt
23 from the taxes imposed by this Act. Taxpayers shall maintain
24 all necessary books and records to substantiate the use and
25 consumption of all such tangible personal property outside of
26 the State of Illinois.

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

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

23 (29) Beginning January 1, 2010 and continuing through
24 December 31, 2024, materials, parts, equipment, components,
25 and furnishings incorporated into or upon an aircraft as part
26 of the modification, refurbishment, completion, replacement,

1 repair, or maintenance of the aircraft. This exemption
2 includes consumable supplies used in the modification,
3 refurbishment, completion, replacement, repair, and
4 maintenance of aircraft, ~~but excludes any materials, parts,
5 equipment, components, and consumable supplies used in the
6 modification, replacement, repair, and maintenance of aircraft
7 engines or power plants, whether such engines or power plants
8 are installed or uninstalled upon any such aircraft.~~

9 "Consumable supplies" include, but are not limited to,
10 adhesive, tape, sandpaper, general purpose lubricants,
11 cleaning solution, latex gloves, and protective films. This
12 exemption applies only to the transfer of qualifying tangible
13 personal property incident to the modification, refurbishment,
14 completion, replacement, repair, or maintenance of an aircraft
15 by: (A) persons who (i) hold an Air Agency Certificate and are
16 empowered to operate an approved repair station by the Federal
17 Aviation Administration, (ii) have a Class IV Rating, and
18 (iii) conduct operations in accordance with Part 145 of the
19 Federal Aviation Regulations; and (B) persons who engage in
20 the modification, replacement, repair, and maintenance of
21 aircraft engines and power plants without regard to whether or
22 not those persons meet the qualifications of item (A). The
23 exemption does not include aircraft operated by a commercial
24 air carrier providing scheduled passenger air service pursuant
25 to authority issued under Part 121 or Part 129 of the Federal
26 Aviation Regulations. The changes made to this paragraph (29)

1 by Public Act 98-534 are declarative of existing law. It is the
2 intent of the General Assembly that the exemption under this
3 paragraph (29) applies continuously from January 1, 2010
4 through December 31, 2024; however, no claim for credit or
5 refund is allowed for taxes paid as a result of the
6 disallowance of this exemption on or after January 1, 2015 and
7 prior to February 5, 2020 (the effective date of Public Act
8 101-629) ~~this amendatory Act of the 101st General Assembly.~~

9 (30) Beginning January 1, 2017 and through December 31,
10 2026, menstrual pads, tampons, and menstrual cups.

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

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

1 or leased in the original investment that would have
2 qualified.

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

8 For the purposes of this item (32):

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

13 "Qualified tangible personal property" means:
14 electrical systems and equipment; climate control and
15 chilling equipment and systems; mechanical systems and
16 equipment; monitoring and secure systems; emergency
17 generators; hardware; computers; servers; data storage
18 devices; network connectivity equipment; racks; cabinets;
19 telecommunications cabling infrastructure; raised floor
20 systems; peripheral components or systems; software;
21 mechanical, electrical, or plumbing systems; battery
22 systems; cooling systems and towers; temperature control
23 systems; other cabling; and other data center
24 infrastructure equipment and systems necessary to operate
25 qualified tangible personal property, including fixtures;
26 and component parts of any of the foregoing, including

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

14 This item (32) is exempt from the provisions of Section
15 3-55.

16 (33) Beginning July 1, 2022, breast pumps, breast pump
17 collection and storage supplies, and breast pump kits. This
18 item (33) is exempt from the provisions of Section 3-55. As
19 used in this item (33):

20 "Breast pump" means an electrically controlled or
21 manually controlled pump device designed or marketed to be
22 used to express milk from a human breast during lactation,
23 including the pump device and any battery, AC adapter, or
24 other power supply unit that is used to power the pump
25 device and is packaged and sold with the pump device at the
26 time of sale.

1 "Breast pump collection and storage supplies" means
2 items of tangible personal property designed or marketed
3 to be used in conjunction with a breast pump to collect
4 milk expressed from a human breast and to store collected
5 milk until it is ready for consumption.

6 "Breast pump collection and storage supplies"
7 includes, but is not limited to: breast shields and breast
8 shield connectors; breast pump tubes and tubing adapters;
9 breast pump valves and membranes; backflow protectors and
10 backflow protector adaptors; bottles and bottle caps
11 specific to the operation of the breast pump; and breast
12 milk storage bags.

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

25 "Breast pump kit" means a kit that: (1) contains no
26 more than a breast pump, breast pump collection and

1 storage supplies, a rechargeable battery for operating the
2 breast pump, a breastmilk cooler, bottle stands, ice
3 packs, and a breast pump carrying case; and (2) is
4 pre-packaged as a breast pump kit by the breast pump
5 manufacturer or distributor.

6 (34) ~~(33)~~ Tangible personal property sold by or on behalf
7 of the State Treasurer pursuant to the Revised Uniform
8 Unclaimed Property Act. This item (34) ~~(33)~~ is exempt from the
9 provisions of Section 3-55.

10 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;
11 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-700, Article
12 70, Section 70-15, eff. 4-19-22; 102-700, Article 75, Section
13 75-15, eff. 4-19-22; 102-1026, eff. 5-27-22; revised 8-9-22.)

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

16 (35 ILCS 120/2-5)

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

20 (1) Farm chemicals.

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

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

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

26 Farm machinery and equipment also includes computers,

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

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

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

1 exemption under paragraph (14).

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

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

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

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

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

1 92-35), however, an entity otherwise eligible for this
2 exemption shall not make tax-free purchases unless it has
3 an active identification number issued by the Department.

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

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

26 (12) (Blank).

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

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

1 permanently installed in or affixed to aircraft moving in
2 interstate commerce.

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

1 limited to, graphic arts machinery and equipment, as
2 defined in paragraph (4) of this Section.

3 (15) Proceeds of mandatory service charges separately
4 stated on customers' bills for 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
8 directly in preparing, serving, hosting or cleaning up the
9 food or beverage function with respect to which the
10 service charge is imposed.

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

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

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

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

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

17 (21) Until July 1, 2028, coal and aggregate
18 exploration, mining, off-highway hauling, processing,
19 maintenance, and reclamation equipment, including
20 replacement parts and equipment, and including equipment
21 purchased for lease, but excluding motor vehicles required
22 to be registered under the Illinois Vehicle Code. The
23 changes made to this Section by Public Act 97-767 apply on
24 and after July 1, 2003, but no claim for credit or refund
25 is allowed on or after August 16, 2013 (the effective date
26 of Public Act 98-456) for such taxes paid during the

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

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

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

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

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

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

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

17 (25-5) The exemption under item (25) does not apply if
18 the state in which the motor vehicle will be titled does
19 not allow a reciprocal exemption for a motor vehicle sold
20 and delivered in that state to an Illinois resident but
21 titled in Illinois. The tax collected under this Act on
22 the sale of a motor vehicle in this State to a resident of
23 another state that does not allow a reciprocal exemption
24 shall be imposed at a rate equal to the state's rate of tax
25 on taxable property in the state in which the purchaser is
26 a resident, except that the tax shall not exceed the tax

1 that would otherwise be imposed under this Act. At the
2 time of the sale, the purchaser shall execute a statement,
3 signed under penalty of perjury, of his or her intent to
4 title the vehicle in the state in which the purchaser is a
5 resident within 30 days after the sale and of the fact of
6 the payment to the State of Illinois of tax in an amount
7 equivalent to the state's rate of tax on taxable property
8 in his or her state of residence and shall submit the
9 statement to the appropriate tax collection agency in his
10 or her state of residence. In addition, the retailer must
11 retain a signed copy of the statement in his or her
12 records. Nothing in this item shall be construed to
13 require the removal of the vehicle from this state
14 following the filing of an intent to title the vehicle in
15 the purchaser's state of residence if the purchaser titles
16 the vehicle in his or her state of residence within 30 days
17 after the date of sale. The tax collected under this Act in
18 accordance with this item (25-5) shall be proportionately
19 distributed as if the tax were collected at the 6.25%
20 general rate imposed under this Act.

21 (25-7) Beginning on July 1, 2007, no tax is imposed
22 under this Act on the sale of an aircraft, as defined in
23 Section 3 of the Illinois Aeronautics Act, if all of the
24 following conditions are met:

- 25 (1) the aircraft leaves this State within 15 days
26 after the later of either the issuance of the final

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

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

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

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

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

25 "Registered in this State" means an aircraft
26 registered with the Department of Transportation,

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

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

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

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

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

1 purchase, to a hospital that has been issued an active tax
2 exemption identification number by the Department under
3 Section 1g of this Act.

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

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

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

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

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

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

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

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

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

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

6 (35-5) Beginning August 23, 2001 and through June 30,
7 2016, food for human consumption that is to be consumed
8 off the premises where it is sold (other than alcoholic
9 beverages, soft drinks, and food that has been prepared
10 for immediate consumption) and prescription and
11 nonprescription medicines, drugs, medical appliances, and
12 insulin, urine testing materials, syringes, and needles
13 used by diabetics, for human use, when purchased for use
14 by a person receiving medical assistance under Article V
15 of the Illinois Public Aid Code who resides in a licensed
16 long-term care facility, as defined in the Nursing Home
17 Care Act, or a licensed facility as defined in the ID/DD
18 Community Care Act, the MC/DD Act, or the Specialized
19 Mental Health Rehabilitation Act of 2013.

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

1 identification number by the Department under Section 1g
2 of this Act. This paragraph is exempt from the provisions
3 of Section 2-70.

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

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

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

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

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

1 ~~repair, and maintenance of aircraft engines or power~~
2 ~~plants, whether such engines or power plants are installed~~
3 ~~or uninstalled upon any such aircraft.~~ "Consumable
4 supplies" include, but are not limited to, adhesive, tape,
5 sandpaper, general purpose lubricants, cleaning solution,
6 latex gloves, and protective films. This exemption applies
7 only to the sale of qualifying tangible personal property
8 to: (A) persons who modify, refurbish, complete, replace,
9 or maintain an aircraft and who (i) hold an Air Agency
10 Certificate and are empowered to operate an approved
11 repair station by the Federal Aviation Administration,
12 (ii) have a Class IV Rating, and (iii) conduct operations
13 in accordance with Part 145 of the Federal Aviation
14 Regulations; and (B) persons who engage in the
15 modification, replacement, repair, and maintenance of
16 aircraft engines and power plants without regard to
17 whether or not those persons meet the qualifications of
18 item (A). The exemption does not include aircraft operated
19 by a commercial air carrier providing scheduled passenger
20 air service pursuant to authority issued under Part 121 or
21 Part 129 of the Federal Aviation Regulations. The changes
22 made to this paragraph (40) by Public Act 98-534 are
23 declarative of existing law. It is the intent of the
24 General Assembly that the exemption under this paragraph
25 (40) applies continuously from January 1, 2010 through
26 December 31, 2024; however, no claim for credit or refund

1 is allowed for taxes paid as a result of the disallowance
2 of this exemption on or after January 1, 2015 and prior to
3 February 5, 2020 (the effective date of Public Act
4 101-629) ~~this amendatory Act of the 101st General~~
5 ~~Assembly.~~

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

21 (42) Beginning January 1, 2017 and through December
22 31, 2026, menstrual pads, tampons, and menstrual cups.

23 (43) Merchandise that is subject to the Rental
24 Purchase Agreement Occupation and Use Tax. The purchaser
25 must certify that the item is purchased to be rented
26 subject to a rental purchase agreement, as defined in the

1 Rental Purchase Agreement Act, and provide proof of
2 registration under the Rental Purchase Agreement
3 Occupation and Use Tax Act. This paragraph is exempt from
4 the provisions of Section 2-70.

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

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

1 For the purposes of this item (44):

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

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

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

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

10 (45) Beginning January 1, 2020 and through December
11 31, 2020, sales of tangible personal property made by a
12 marketplace seller over a marketplace for which tax is due
13 under this Act but for which use tax has been collected and
14 remitted to the Department by a marketplace facilitator
15 under Section 2d of the Use Tax Act are exempt from tax
16 under this Act. A marketplace seller claiming this
17 exemption shall maintain books and records demonstrating
18 that the use tax on such sales has been collected and
19 remitted by a marketplace facilitator. Marketplace sellers
20 that have properly remitted tax under this Act on such
21 sales may file a claim for credit as provided in Section 6
22 of this Act. No claim is allowed, however, for such taxes
23 for which a credit or refund has been issued to the
24 marketplace facilitator under the Use Tax Act, or for
25 which the marketplace facilitator has filed a claim for
26 credit or refund under the Use Tax Act.

1 (46) Beginning July 1, 2022, breast pumps, breast pump
2 collection and storage supplies, and breast pump kits.
3 This item (46) is exempt from the provisions of Section
4 2-70. As used in this item (46):

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

12 "Breast pump collection and storage supplies" means
13 items of tangible personal property designed or marketed
14 to be used in conjunction with a breast pump to collect
15 milk expressed from a human breast and to store collected
16 milk until it is ready for consumption.

17 "Breast pump collection and storage supplies"
18 includes, but is not limited to: breast shields and breast
19 shield connectors; breast pump tubes and tubing adapters;
20 breast pump valves and membranes; backflow protectors and
21 backflow protector adaptors; bottles and bottle caps
22 specific to the operation of the breast pump; and breast
23 milk storage bags.

24 "Breast pump collection and storage supplies" does not
25 include: (1) bottles and bottle caps not specific to the
26 operation of the breast pump; (2) breast pump travel bags

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

10 "Breast pump kit" means a kit that: (1) contains no
11 more than a breast pump, breast pump collection and
12 storage supplies, a rechargeable battery for operating the
13 breast pump, a breastmilk cooler, bottle stands, ice
14 packs, and a breast pump carrying case; and (2) is
15 pre-packaged as a breast pump kit by the breast pump
16 manufacturer or distributor.

17 (47) ~~(46)~~ Tangible personal property sold by or on
18 behalf of the State Treasurer pursuant to the Revised
19 Uniform Unclaimed Property Act. This item (47) ~~(46)~~ is
20 exempt from the provisions of Section 2-70.

21 (Source: P.A. 101-31, eff. 6-28-19; 101-81, eff. 7-12-19;
22 101-629, eff. 2-5-20; 102-16, eff. 6-17-21; 102-634, eff.
23 8-27-21; 102-700, Article 70, Section 70-20, eff. 4-19-22;
24 102-700, Article 75, Section 75-20, eff. 4-19-22; 102-813,
25 eff. 5-13-22; 102-1026, eff. 5-27-22; revised 8-15-22.)

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