

1 AN ACT concerning municipal utility taxes.

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

4 Section 5. The Illinois Municipal Code is amended by
5 adding Section 8-11-21 as follows:

6 (65 ILCS 5/8-11-21 new)

7 Sec. 8-11-21. School district exemptions.

8 (a) No tax may be imposed or collected by a municipality
9 under this Division 11 or by virtue of any home rule power
10 with respect to electricity used or consumed by a school
11 district subject to the School Code.

12 (b) No tax may be imposed or collected by a municipality
13 under this Division 11 or by virtue of any home rule power on
14 gross receipts from the business of transmitting messages or
15 distributing, supplying, furnishing, or selling gas or water
16 to a school district subject to the School Code.

17 (c) No tax may be imposed or collected by a municipality
18 under this Division 11 or by virtue of any home rule power
19 with respect to telecommunications originated or received by
20 a school district subject to the School Code.

21 (d) A business entity must reflect the tax exemptions
22 under this Section by equivalent reductions in amounts
23 charged to school districts subject to the School Code.

24 (e) This Section is a denial and limitation under
25 subsection (g) of Section 6 of Article VII of the Illinois
26 Constitution of a home rule municipality's power to tax.

27 Section 10. The Public Utilities Act is amended by
28 changing Section 9-221 as follows:

29 (220 ILCS 5/9-221) (from Ch. 111 2/3, par. 9-221)

1 Sec. 9-221. Whenever a municipality pursuant to Section
2 8-11-2 of the Illinois Municipal Code, as heretofore and
3 hereafter amended, imposes a tax on any public utility, such
4 utility may charge its customers, other than customers who
5 are certified business enterprises under paragraph (e) of
6 Section 8-11-2 of the Illinois Municipal Code or are exempted
7 from those taxes under paragraph (f) of that Section or under
8 Section 8-11-21 of the Illinois Municipal Code, to the extent
9 of such exemption and during the period in which such
10 exemption is in effect, in addition to any rate authorized by
11 this Act, an additional charge equal to the sum of (1) an
12 amount equal to such municipal tax, or any part thereof (2)
13 3% of such tax, or any part thereof, as the case may be, to
14 cover costs of accounting, and (3) an amount equal to the
15 increase in taxes and other payments to governmental bodies
16 resulting from the amount of such additional charge. Such
17 utility shall file with the Commission a true and correct
18 copy of the municipal ordinance imposing such tax; and also
19 shall file with the Commission a supplemental schedule
20 applicable to such municipality which shall specify such
21 additional charge and which shall become effective upon
22 filing without further notice. Such additional charge shall
23 be shown separately on the utility bill to each customer.
24 The Commission shall have power to investigate whether or not
25 such supplemental schedule correctly specifies such
26 additional charge, but shall have no power to suspend such
27 supplemental schedule. If the Commission finds, after a
28 hearing, that such supplemental schedule does not correctly
29 specify such additional charge, it shall by order require a
30 refund to the appropriate customers of the excess, if any,
31 with interest, in such manner as it shall deem just and
32 reasonable, and in and by such order shall require the
33 utility to file an amended supplemental schedule
34 corresponding to the finding and order of the Commission.

1 (Source: P.A. 87-895; 88-132.)

2 Section 95. The State Mandates Act is amended by adding
3 Section 8.27 as follows:

4 (30 ILCS 805/8.27 new)

5 Sec. 8.27. Exempt mandate. Notwithstanding Sections 6
6 and 8 of this Act, no reimbursement by the State is required
7 for the implementation of any mandate created by this
8 amendatory Act of the 93rd General Assembly.

9 Section 99. Effective date. This Act takes effect on
10 July 1, 2003.