



**93RD GENERAL ASSEMBLY**  
**State of Illinois**  
**2003 and 2004**

Introduced 02/05/04, by Jim Sacia

**SYNOPSIS AS INTRODUCED:**

New Act

Creates the Premier Resort Areas Act. Provides that the governing body of a municipality or county may enact an ordinance or adopt a resolution declaring itself (for a county, the unincorporated areas only) to be a premier resort area if at least 40% of the equalized assessed value of the taxable commercial property within the municipality or unincorporated areas of the county is used by tourism-related retailers. Authorizes a premier resort area to impose an occupation or service tax on tourism-related retailers at a rate of 0.5% of the gross receipts from sales of tangible personal property at retail or 0.5% of the gross receipts from the selling price of all tangible personal property transferred as an incident to a sale of service, as appropriate. Authorizes intergovernmental cooperation agreements between 2 or more premier resort areas.

LRB093 17684 SJM 43360 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning taxes.

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

4 Section 1. Short title. This Act may be cited as the  
5 Premier Resort Areas Act.

6 Section 5. Definitions. In this Act:

7 "Infrastructure expenses" means the costs of purchasing,  
8 constructing, or improving any of the following: parking lots;  
9 access ways; transportation facilities, including roads and  
10 bridges; sewer and water facilities; parks, boat ramps,  
11 beaches, and other recreational facilities; fire fighting  
12 equipment; police vehicles; ambulances; and other equipment or  
13 materials dedicated to public safety or public works.

14 "Premier resort area" means a county or municipality whose  
15 governing body enacts an ordinance or adopts a resolution under  
16 Section 10.

17 "Tourism-related retailers" means retailers classified in  
18 the North American Industry Classification System, 1997  
19 edition, as updated, published by the U.S. office of management  
20 and budget under the following industry numbers:

21 (1) 31133 Confectionery Manufacturing from Purchased  
22 Chocolate.

23 (2) 31134 Nonchocolate Confectionery Manufacturing.

24 (3) 311811 Retail Bakeries.

25 (4) 44313 Camera and Photographic Supplies Stores.

26 (5) 445291 Baked Goods Stores.

27 (6) 445292 Confectionery and Nut Stores.

28 (7) 445299 All Other Specialty Food Stores.

29 (8) 44531 Beer, Wine, and Liquor Stores.

30 (9) 44611 Pharmacies and Drug Stores.

31 (10) 44711 Gasoline Stations with Convenience Store.

32 (11) 44719 Other Gasoline Stations.

- 1 (12) 45111 Sporting Goods Stores.
- 2 (13) 45291 Warehouse Clubs and Superstores.
- 3 (14) 45299 All Other General Merchandise Stores.
- 4 (15) 45322 Gift, Novelty, and Souvenir Stores.
- 5 (16) 48711 Scenic and Sightseeing Transportation, Land.
- 6 (17) 48721 Scenic and Sightseeing Transportation, Water.
- 7 (18) 48799 Scenic and Sightseeing Transportation, Other.
- 8 (19) 532292 Recreational Goods Rental.
- 9 (20) 561599 All Other Travel Arrangement and Reservation  
10 Services.
- 11 (21) 61162 Sports and Recreation Instruction.
- 12 (22) 611699 All Other Miscellaneous Schools and  
13 Instruction.
- 14 (23) 71111 Theater Companies and Dinner Theaters.
- 15 (24) 71119 Other Performing Arts Companies.
- 16 (25) 711212 Racetracks.
- 17 (26) 711219 Other Spectator Sports.
- 18 (27) 71131 Promoters of Performing Arts, Sports, and  
19 Similar Events with Facilities.
- 20 (28) 71132 Promoters of Performing Arts, Sports, and  
21 Similar Events without Facilities.
- 22 (29) 71219 Nature Parks and Other Similar Institutions.
- 23 (30) 71311 Amusement and Theme Parks.
- 24 (31) 71312 Amusement Arcades.
- 25 (32) 71321 Casinos (except Casino Hotels).
- 26 (33) 71329 Other Gambling Industries.
- 27 (34) 71391 Golf Courses and Country Clubs.
- 28 (35) 71392 Skiing Facilities.
- 29 (36) 71394 Fitness and Recreational Sports Centers.
- 30 (37) 71399 All Other Amusement and Recreation Industries.
- 31 (38) 72111 Hotels (except Casino Hotels) and Motels.
- 32 (39) 72112 Casino Hotels.
- 33 (40) 721191 Bed-and-Breakfast Inns.
- 34 (41) 721199 All Other Traveler Accommodation.
- 35 (42) 721211 RV (Recreational Vehicle) Parks and  
36 Campgrounds.

1 (43) 721214 Recreational and Vacation Camps (except  
2 Campgrounds).

3 (44) 72211 Full-Service Restaurants.

4 (45) 722211 Limited-Service Restaurants.

5 (46) 722212 Cafeterias.

6 (47) 722213 Snack and Nonalcoholic Beverage Bars.

7 (48) 72231 Food Service Contractors.

8 (49) 72232 Caterers.

9 (50) 72241 Drinking Places (Alcoholic Beverages).

10 Section 10. Premier resort area creation.

11 (a) The governing body of a municipality or county, by a  
12 two-thirds vote of the members of the governing body who are  
13 present when the vote is taken, may enact an ordinance or adopt  
14 a resolution declaring the municipality or the unincorporated  
15 areas of the county, as appropriate, to be a premier resort  
16 area if at least 40% of the equalized assessed value of the  
17 taxable commercial property within the municipality or  
18 unincorporated areas of the county is used by tourism-related  
19 retailers.

20 (b) A municipality or county that is a premier resort area  
21 may impose the tax under Section 20.

22 (c) If 2 or more contiguous municipalities or counties or  
23 any combination of these that are premier resort areas each  
24 impose the tax under Section 20, they may enter into  
25 intergovernmental cooperation agreements under the  
26 Intergovernmental Cooperation Act to cooperate in paying for  
27 infrastructure expenses, in addition to any other authority  
28 they have to act under that Act.

29 (d) The proceeds from a tax that is imposed under Section  
30 20 may be used only to pay for infrastructure expenses within  
31 the jurisdiction of a premier resort area.

32 Section 15. Jurisdiction. The jurisdiction of a premier  
33 resort area is coterminous with the boundaries of a  
34 municipality or the unincorporated areas of a county whose

1 governing body enacts an ordinance or adopts a resolution under  
2 subsection (a) of Section 10, or with the boundaries of 2 or  
3 more municipalities or the unincorporated areas of 2 or more  
4 counties or any combination of these that enter into a contract  
5 under subsection (c) of Section 10.

6 Section 20. Retailers' occupation and service occupation  
7 taxes.

8 (a) Except as provided in subsection (c), a municipality,  
9 within the boundaries of the municipality, or a county, with  
10 respect to the unincorporated areas of the county, all of which  
11 is included in a premier resort area, may, by ordinance or  
12 resolution, impose a tax upon tourism related retailers at a  
13 rate of 0.5% of the gross receipts from sales of tangible  
14 personal property at retail.

15 (b) Except as provided in subsection (c), a municipality,  
16 within the boundaries of the municipality, or a county, with  
17 respect to the unincorporated areas of the county, all of which  
18 is included in a premier resort area, may, by ordinance or  
19 resolution, impose a tax upon tourism related retailers engaged  
20 in the municipality or unincorporated areas of the county in  
21 the business of making sales of service at a rate of 0.5% of  
22 the gross receipts from selling price of all tangible personal  
23 property transferred by the servicemen as an incident to a sale  
24 of service. No tax may be imposed by a premier resort area  
25 pursuant to subsection (a) unless the premier resort area also  
26 imposes a tax at the same rate under this subsection (b).

27 (c) A municipality may impose the tax under this Section in  
28 the municipality. A county may impose the tax under this  
29 Section in the unincorporated areas of the county.

30 (d) Nothing in this Section shall be construed to authorize  
31 a premier resort area to impose a tax upon the privilege of  
32 engaging in any business that under the Constitution of the  
33 United States may not be made the subject of taxation by this  
34 State.

1 Section 25. Administration. The tax imposed by a premier  
2 resort area under this Act and all civil penalties that may be  
3 assessed as an incident to that tax shall be collected and  
4 enforced by the State Department of Revenue. The certificate of  
5 registration that is issued by the Department to a retailer  
6 under the Retailers' Occupation Tax Act or under the Service  
7 Occupation Tax Act shall permit the retailer to engage in a  
8 business that is taxable under any ordinance or resolution  
9 enacted pursuant to this Act without registering separately  
10 with the Department under that ordinance or resolution or under  
11 this Act. The Department shall have full power to administer  
12 and enforce this Act; to collect all taxes and penalties due  
13 under this Act; to dispose of taxes and penalties so collected  
14 in the manner provided in this Section; and to determine all  
15 rights to credit memoranda arising on account of the erroneous  
16 payment of tax or penalty under this Act. In the administration  
17 of and compliance with this Act, the Department and persons who  
18 are subject to this Act shall have the same rights, remedies,  
19 privileges, immunities, powers, and duties, and be subject to  
20 the same conditions, restrictions, limitations, penalties, and  
21 definitions of terms, and employ the same modes of procedure,  
22 as are prescribed in Sections 1, 1a, 1a-1, 1d, 1e, 1f, 1i, 1j,  
23 1k, 1m, 1n, 2 through 2-65 (in respect to all provisions other  
24 than the State rate of tax), 4, 5, 5a, 5b, 5c, 5d, 5e, 5f, 5g,  
25 5h, 5i, 5j, 5k, 5l, 6, 6a, 6b, 6c, 7, 8, 9, 10, 11, 12, and 13  
26 of the Retailers' Occupation Tax Act, with respect to the  
27 retailer's occupation tax imposed under this Act, and Sections  
28 1a-1, 2, 2a, 3 through 3-50 (in respect to all provisions other  
29 than the State rate of tax), 4 (except that the reference to  
30 the State shall be to the taxing premier resort area), 5, 7, 8  
31 (except that the jurisdiction to which the tax shall be a debt  
32 to the extent indicated in that Section 8 shall be the taxing  
33 premier resort area), 9 (except as to the disposition of taxes  
34 and penalties collected, and except that the returned  
35 merchandise credit for this premier resort area tax may not be  
36 taken against any State tax), 10, 11, 12 (except the reference

1 to Section 2b of the Retailers' Occupation Tax Act), 13 (except  
2 that any reference to the State shall mean the taxing premier  
3 resort area), the first paragraph of Section 15, 16, 17, 18,  
4 19, and 20 of the Service Occupation Tax Act, with respect to  
5 the service occupation tax imposed under this Act, and Section  
6 3-7 of the Uniform Penalty and Interest Act, as fully as if  
7 those provisions were set forth in this Section.

8 Persons subject to any tax imposed pursuant to the  
9 authority granted in this Act may reimburse themselves for  
10 their seller's tax liability under this Act by separately  
11 stating the tax as an additional charge, which charge may be  
12 stated in combination, in a single amount, with State tax that  
13 sellers are required to collect under the Use Tax Act, pursuant  
14 to such bracket schedules as the Department may prescribe.

15 If the Department determines that a refund should be made  
16 under this Act to a claimant, instead of issuing a credit  
17 memorandum, the Department shall notify the State Comptroller,  
18 who shall cause the order to be drawn for the amount specified  
19 and to the person named in the notification from the  
20 Department. The refund shall be paid by the State Treasurer out  
21 of the premier resort area retailers' occupation tax fund.

22 The Department shall forthwith pay over to the State  
23 Treasurer, ex officio, as trustee, all taxes and penalties  
24 collected under this Act. On or before the 25th day of each  
25 calendar month, the Department shall prepare and certify to the  
26 Comptroller the disbursement of stated sums of money to named  
27 premier resort areas, the premier resort areas to be those from  
28 which retailers have paid taxes or penalties under this Act to  
29 the Department during the second preceding calendar month. The  
30 amount to be paid to each premier resort area shall be the  
31 amount (not including credit memoranda) collected under this  
32 Act during the second preceding calendar month by the  
33 Department plus an amount the Department determines is  
34 necessary to offset any amounts that were erroneously paid to a  
35 different taxing body, and not including an amount equal to the  
36 amount of refunds made during the second preceding calendar

1 month by the Department on behalf of the premier resort area,  
2 and not including any amount that the Department determines is  
3 necessary to offset any amounts that were payable to a  
4 different taxing body but were erroneously paid to the premier  
5 resort area. Within 10 days after receipt by the Comptroller of  
6 the disbursement certification to the premier resort areas  
7 provided for in this Section to be given to the Comptroller by  
8 the Department, the Comptroller shall cause the orders to be  
9 drawn for the respective amounts in accordance with the  
10 directions contained in the certification.

11 An ordinance or resolution imposing or discontinuing the  
12 tax under this Act or effecting a change in the rate of tax  
13 shall either (i) be adopted and a certified copy thereof filed  
14 with the Department on or before the first day of April,  
15 whereupon the Department shall proceed to administer and  
16 enforce the tax imposed under this Act as of the first day of  
17 July next following the adoption and filing; or (ii) be adopted  
18 and a certified copy thereof filed with the Department on or  
19 before the first day of October, whereupon the Department shall  
20 proceed to administer and enforce the tax imposed under this  
21 Act as of the first day of January next following the adoption  
22 and filing.

23 When certifying the amount of a monthly disbursement to a  
24 premier resort area of the tax imposed under this Act, the  
25 Department shall increase or decrease the amount by an amount  
26 necessary to offset any misallocation of previous  
27 disbursements. The offset amount shall be the amount  
28 erroneously disbursed within the previous 6 months from the  
29 time a misallocation is discovered.

30 The Department may adopt rules interpreting the  
31 classifications under the definition of "tourism-related  
32 retailers" and specifying means of determining the  
33 classification of a business. If there is a dispute whether a  
34 business is a tourism-related retailer, the Department's  
35 decision is final.